

^ CENTRAL GOVERNMENT

FINANCE ACCOUNTS

1945-46

AND THE

AUDIT REPORT

1946



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NTS OF THE CENTRAL GOVERNMENT FOR THE YEAR 1945-46
THE REPORT OF THE AUDITOR GENERAL OF INDIA

Certificate of the Auditor General of India

This compilation containing the Finance Accounts of the Central Government for the year 1945-46 and the report of the Auditor General of India presents the accounts of the receipts and outgoings of the Central Government for the year, together with a report on the financial results disclosed by the different accounts and other data coming under examination, that is to say both the revenue and capital accounts, the accounts of the Public debt and the liabilities and assets of the Central Government as deduced from the balances recorded in its books and other information. It supplements the reports of the Auditor General of India on the accounts of the audited expenditure of the Government for the year, separately presented in the form of Appropriation Accounts for each Grant. In compliance with Section 169 of the Government of India Act, 1935, the Auditor General's report on the accounts accompanied by the accounts themselves is submitted by the Auditor General to the Governor General to be laid before the Legislature.

The accounts for 1945-46 which as Auditor General I am required to audit, both the Finance Accounts, and the Appropriation Accounts have been examined under my direction in accordance with the provisions of the Government of India (Audit and Accounts) Order, 1936. Likewise, as prescribed by Section 170 of the Government of India Act, 1935, the accounts of transactions of the Government in the United Kingdom have been audited by the Auditor of Indian Home Accounts under my general superintendence. It is to be noted that the Auditor General's responsibility for the audit of the accounts of the Government does not extend in full to the audit of the accounts of revenue, but I am satisfied on the best information available that the accounts of revenue included in the Finance Accounts herewith presented give a correct statement of the sums brought to account. Subject to these observations and also to those contained in the detailed reports which follow and in the reports on the Appropriation Accounts, the accounts now presented are correct statements of the receipts and outgoings of the Central Government for the year 1945-46.

B.M. STAIG,

Auditor General of India.

SIMLA;

The 14th August 1948

A. GENERAL FINANCE ACCOUNTS

I. REPORT

INTRODUCTORY.

1 *Main Divisions of Accounts.* There are four main divisions of Government accounts.—

- (1) Revenue.
- (2) Capital.
- (3) Debt.
- (4) Remittance

The first division deals with proceeds of taxation and other receipts classed as revenue and the expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. The second division deals with expenditure met usually from borrowed funds with the object either of increasing concrete assets of a material character, or of reducing recurring liabilities, such as those for future pensions by payment of the capitalised value. It also includes receipts of a capital nature which can properly be applied as a set-off to capital expenditure. The third division comprises receipts and payments in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid together with repayments of the former and recoveries of the latter. The fourth and last division embraces all merely adjusting heads, e.g., cash remittances from one treasury to another, transfers between different accounting circles and remittances between India and England. Credits and debits taken to the adjusting heads in the first instance are cleared eventually by adjustment under final heads.

The transactions included in these accounts represent mainly the actual cash receipts and disbursements during the financial year April to March, as distinguished from amounts due to or by Government during the same period. The cash basis system is, however, not entirely suitable for recording the transactions and presenting the true state of affairs of Government Commercial undertakings run on commercial principles. The detailed accounts of this class of undertakings are, therefore, maintained outside the regular accounts in proper commercial form and these accounts are subject to a suitable check by the Indian Audit Department.

2 *Sections and Major Heads of Accounts*—Inside each of the four divisions mentioned above, the transactions are grouped into Sections which are further subdivided into Major Heads of Accounts. The Sections are distinguished by letters of the alphabet, a single letter denoting the Revenue portion and a double letter denoting the Capital portion of particular category of transactions. The Major Heads in the Revenue and Capital divisions are numbered serially, Roman numerals being employed on the receipt side and Arabic on the disbursement side. No numbering is adopted for Debt and Remittance heads, though these are also arranged in Sections.

The Major Heads are sub-divided into Minor Heads and the Minor Heads into Sub-heads and Detailed heads. Under each of the Major and Minor Heads, the expenditure is shown distributed between non-voted and voted. The Major and Minor Heads and the Sub-Heads prescribed for the classification of expenditure in the general accounts are not necessarily identical with the Grants, Sub-heads and other units of allotments which are selected by the Finance Department for the Demands for Grants and the Appropriation Accounts, but in general, a certain degree of correlation is maintained between the Demands for Grants and the Appropriation Accounts on the one hand and the Finance Accounts on the other.

3 Balances and Reserves. The accounts work from balance to balance, these balances working up to the general cash balances, a small portion of which is kept in the treasuries all over India and in the Bank of England in England, while the bulk has been deposited with the Reserve Bank of India. Apart from these cash balances are the Cash Balance Investment Account and other special Reserves invested outside the general cash balances of Government.

(Throughout this part of the report the amounts shown represent thousands of rupees unless the contrary is specifically indicated)

SUMMARY OF THE TRANSACTIONS OF THE YEAR UNDER REPORT 1945-46

4. A summary of the detailed transactions during the year under report as compared with the Budget for the year is given in the subjoined statement

RECEIPTS	Budget Estimates 1945-46 (2)	Actuals 1945-46 (3)	More (+) Less (-) (4)	DISBURSEMENTS (5)	Budget Estimates 1945-46 (6)	Actuals 1945-46 (7)	More (+) Less (-) (8)							
REVENUE—														
PRINCIPAL HEADS OF REVENUE—														
Customs	55,25,00	73,61,32	+18,36,32	Customs	1,06,22	1,25,66	+19,44							
Central Excise Duties	48,59,00	46,36,41	-2,22,59	Central Excise Duties	2,88,31	3,12,29	+23,98							
Corporation Tax	89,67,00	84,05,81	-5,61,19	Corporation Tax	50,50	60,44	+9,94							
Taxes on Income other than Corporation Tax	77,54,00	65,73,90	-11,80,10	Taxes on Income other than Corporation Tax	61,50	67,94	+6,44							
Salt	9,30,00	10,20,27	+90,27	Salt	1,30,75	1,36,30	+6,55							
Opium	1,27,50	98,88	-28,62	Opium	1,63,34	1,50,78	-12,56							
Land Revenue	30,05	27,96	-2,09	Land Revenue	8,37	10,13	+1,76							
Provincial Excise	59,82	88,57	+28,75	Provincial Excise	4,82	5,85	+1,03							
Stamps	76,86	83,94	+7,08	Stamps	56,17	63,39	+7,22							
Forest	8,26	10,74	+2,48	Forest	29,98	28,98	-1,00							
Registration	1,96	1,74	-22	Registration	18	21	+3							
Receipts under Motor Vehicles Acts	6,73	6,40	-33	Charges on account of Motor Vehicles Acts	4,42	4,90	+48							
Other Taxes and Duties	8,07	7,62	-45	Other Taxes and Duties	6	7	+1							
Total Principal Heads of Revenue	2,83,54,25	2,83,23,56	-30,69	Total Direct Demands on the Revenue	9,04,62	9,66,94	+62,32							
Railways—Net Revenue	64,75,05	66,42,00	+1,66,95	Railways,—Interest and Miscellaneous Charges	32,75,05	34,42,00	+1,66,95							
Irrigation—Net Receipts	3,10	-22	-3,32	Irrigation	10,06	13,48	+3,42							
Posts and Telegraphs—Net Receipts	12,94,01	12,36,06	-57,95	Posts and Telegraphs	1,09,22	1,05,30	-3,92							
Debt Services	1,43,79	1,67,19	+23,40	Debt Services	33,93,19	33,61,53	-33,66							
Civil Administration	2,26,25	3,32,71	+1,06,46	Civil Administration	27,55,26	29,45,13	+1,89,87							
Currency and Mint	12,27,63	16,74,95	+4,47,32	Currency and Mint	1,70,49	1,61,48	-19,01							
Civil Works and Miscellaneous Public Improvements	66,26	77,90	+11,64	Civil Works and Miscellaneous Public Improvements	3,72,22	1,34,40	-2,33,82							

FINANCE ACCOUNTS, CENTRAL GOVERNMENT

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Miscellaneous	..	1,73,44	2,71,16	+97,72									
Defence Receipts	..	22,63,90	11,52,47	-11,01,43									
Extraordinary Items	..	16,54,91	9,41,17	-7,13,74									
Total Revenue Receipts		4,18,72,59	4,08,18,95	-10,63,64									
II—CAPITAL													
CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT (Details by Major Heads are given in Account No. 2)													
Railways						9,50,03	9,84,96						
Posts and Telegraphs						2,61,26	2,17,18						
Capital Outlay on Industrial Development								19,35	+19,35				
Capital Outlay on Vizagapatam Port								11	+11				
Currency Capital Outlay								2,65	+2,65				
Civil Works—Initial Expenditure on New Capital at Delhi						2,11,12	1,42,54						
Miscellaneous—Payments of Commuted Value of Pensions						-24,94	-36,53						
Payments to Retrenched Personnel							2,78						
Defence Capital Outlay						17,76,02	35,09,12						
Capital Outlay on Schemes connected with the War, 1939						27,51	9,03,92						
III—DEBT													
PUBLIC DEBT—													
Debt raised in India—													
Permanent Debt		3,50,00,00	3,35,43,12	-14,66,88									
Floating Debt		3,50,00,00	2,79,89,75	-70,10,25									
Total	..	7,00,00,00	6,15,32,87	-84,67,13									
(A) Revenue deficit during the year 1,23,42,80													

FINANCE ACCOUNTS, CENTRAL GOVERNMENT

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

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FINANCE ACCOUNTS, CENTRAL GOVERNMENT

RECEIPTS	Budget Estimates 1945-46	Actuals 1945-46	More (+) Less (-)	DISBURSEMENTS	Budget Estimates 1945-46	Actuals 1945-46	More (+) Less (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT—							
Recoveries of Loans and Advances	11,79,34	21,94,10	+10,14,76	Loans and Advances	8,78,35	5,11,99	—3,66,36
Remittances	17,08,36,47	19,24,61,80	+2,16,25,33	IV—REMITTANCES	17,07,17,98	19,36,40,47	+2,29,22,49
Remittances through the Reserve Bank	3,07,87,07	2,68,49,48	—39,37,59	V—TRANSFER OF CASH BETWEEN ENGLAND AND INDIA			
Reserve Bank Deposits—Railways	21,84,84	21,84,84	—21,84,84	VI—RESERVE BANK DEPOSITS—RAILWAYS	3,07,87,07	2,64,65,14	—43,21,93
Total Receipts	39,76,07,09	41,14,27,08	+1,38,19,99	Total Disbursements	21,84,84		—21,84,84
Opening Cash Balance	2,85,89,99	2,66,27,72	—19,62,27	Closing Cash Balance			
GRAND TOTAL	42,61,97,08	43,80,54,80	+1,18,57,72	GRAND TOTAL	42,61,97,08	43,80,54,80	+1,18,57,72

IMPORTANT VARIATIONS FROM BUDGET ESTIMATES

5. Brief explanations of important variations between the budget estimates and the actuals, as exhibited in the foregoing paragraphs, are given below —

I - REVENUE

Receipts

The revenue receipts of the year under review show a net decrease of Rs 10,54 lakhs over the budget estimates. This net decrease was the result of increases and decreases under various heads "Corporation Tax", "Taxes on Income other than Corporation Tax," "Defence receipts" and "Extraordinary receipts" were together responsible for a deterioration of Rs 35,56 lakhs and this was substantially reduced as a result primarily of an improvement of Rs 18,36 lakhs under "Customs" and Rs 4,47 lakhs under "Currency and Mint".

Increases

Customs 18,36,32 The increase was mainly due to larger receipts under "Imports" and "Exports" on account of improved shipping conditions resulting from the termination of war. The items which contributed mainly to the increase are spirits and liquors (1,98,64), tobacco (511,54), kerosene (1,02,59), motor spirit (2,13,47), motor cars, cycles, etc (90,58), metals other than iron and steel, silver and block tin (1,10,34), machinery (88,57) and duties on American disposals (50,53) supplemented by less refunds to the Defence Services of customs duty on motor spirit than originally provided for (8,34,33) partly counterbalanced by decrease under "Railway plant and rolling stock" (4,91,60) due to full adjustments not being effected during the year under review.

Salt 90,27 The larger increase in "Excise duty on salt manufactured locally" accounted for the improvement in revenue (1,31,89). This was partly reduced by smaller receipts from "Duty on imported salt" (61,31).

Railways Net Revenue 1,66,95 The increase in revenue was mainly due to more traffic receipts (6 crores) viz coaching earning (5 crores), other earnings (2 crores) and suspense (1 crore) counterbalanced by increase in working expenses (5 crores). The increase in working expenses was mainly due to the expenditure on river ghat works, loss on grain shop transactions on repairs and maintenance works fallen into arrears during the War, increase in cost and freight on coal and increase in rates and scope of dearness allowance.

Civil Administration 1,06,46 Spread over several heads Increase mainly occurred under "Miscellaneous Departments".

Currency and Mint 4,47,32 This was mainly on account of increase in Central Government's share of the surplus profits of the Reserve Bank (4,62,69) which was due to larger profits arising from a bigger investment portfolio of securities in the Issue Department of the Reserve Bank of India.

Miscellaneous 97,72 The increase occurred under the major head "XJ.VI. Miscellaneous—Other receipts".

Decreases.

Central Excise Duties 2,22,59 There was a shortfall of 67,26 in the revenue from motor spirit, 38,88 in the revenue from sugar and 2,78,22 in the revenue from tobacco but this was partly counterbalanced by improvement in other heads, notably matches (1,30,07).

Corporation Tax 5,61,19 The decrease occurred under "Excess profits tax" (7,17,00) and is due to the completion of smaller number of regular assessment than

was anticipated and to the delay in the transfer of amounts from the deposit to the revenue head on completion of regular assessment. The decrease was partly offset by increased revenue (1,54,00) under "Ordinary collections".

Taxes on Income other than Corporation Tax 11,80,10 The decrease is made up of less receipts under "Ordinary collections" (65,00), "Surcharge" (2,38,00) and "Excess profits tax" (3,31,00) and also of increased payments to Provinces for their share of the divisible pool of income-tax (5,46,00), due mainly to the arrear of last year.

Post and Telegraphs-Net receipts 57,95 Increase in working expenses (2,17,25) is mainly due to increased activities of the Department necessitating more expenditure on pay charges and maintenance of assets at a high standard of efficiency and certain other factors, such as, enhancement of the rates of war and dearness allowances, additional expenditure on audit and larger payment of pensions mainly due to temporary increase in pensions and payment of bonus to temporary clerical personnel under the scheme of unified scale of pay. The increase in working expenses was partly counterbalanced by increased revenue (1,59,30) due chiefly to growth of traffic and larger receipts from the three telephone systems at Bombay, Calcutta and Madras taken over from the licensed Telephone Companies during 1943-44.

Defence Receipts 11,01,43 The decrease was mainly due to a readjustment of the cost of Lend/Lease locomotives originally recovered from the Railway Department.

Extraordinary Items 7,13,74 Mainly due to the fall in the receipt of premia, resulting from the closing down of the War Risks Factors Insurance Scheme and the War Risks Goods Insurance Scheme at the end of the War.

Expenditure

The total expenditure in the Revenue Account was less than the budget estimates by 42,39,43. The decrease occurred mainly under Defence Services (45,01,79) and Extraordinary Items (9,42,49) partly offset by increase in expenditure under "Grants in aid to Provincial Governments" (8,00,15), Railways Interest and Miscellaneous Charges (1,66,95) and Civil Administration (1,89,87). The important variations are explained below —

Increases

Direct Demands on the Revenue 62,32 Increase under various heads chiefly Customs (19,44), Central Excise Duties (23,98), Corporation Tax (9,94), Taxes on Income (6,44) Salt (5,55) and Stamps (7,22) counterbalanced by a saving under Opium (12,56) due to less payments to cultivators in Malwa and United Provinces.

Railways--Interest and Miscellaneous Charges 1,66,95 The excess was mainly due to the payment of Rs 6,20 lakhs to the Railway Reserve Fund against the budget provision of Rs 4,51 lakhs owing to large surplus accruing during the year.

Civil Administration 1,89,87 Spread over a large number of heads mainly due to larger expenditure on creation, expansion and reorganisation of the various Departments of the Central Government.

Miscellaneous 2,65,68 Increase occurred mainly under "Stationery and Printing" due to less recoveries from Defence Services as a result of the cessation of War with its consequential curtailed demands (1,49,47) and under "Miscellaneous" on account of additional expenditure in connection with evacuees from Burma and transfer of the amount on account of Indian Contribution to the Fund for United Nations Relief and Rehabilitation Administration (1,12,73).

Contributions and Miscellaneous Adjustments between Central and Provincial Governments 8,00,15 A subvention of Rs 8 crores to Bengal towards her famine relief and rehabilitation expenditure accounted for the increase under the head

Decreases.

Civil Works and Miscellaneous Public Improvements 2,33,82 Mainly due to larger net credit under "Suspense—Other Suspense Accounts" on account of larger purchases of materials for huge works programme specially towards the close of the year

Defence Services 45,01,79 The decrease was due to reduction in expenditure on pay and allowances of Defence Services as a result of cessation of hostilities during the course of the year

Extraordinary Items 9,42,49 Owing to the closure of the War Risks Insurance Scheme soon after the termination of the War, the expenditure on the payment of premia to the Insurance Funds was less than the amount provided for in the budget. The expenditure arising out of the Bombay Explosion was also less than estimated. These were partly counterbalanced by increased expenditure on the "Grow More Food" campaign scheme, scheme for the training of skilled artisans, Assam relief measures and other schemes

II. CAPITAL.

The actual capital expenditure was more than provided in the budget estimates (25,55,08)

Increases.

Railways 34,93. The increase was due mainly to larger expenditure under suspense (Rs 1,73 lakhs), works (Rs 1,49 lakhs) and payment of the outstanding amount of the purchase price of the Rohilkhand and Kumaon, and Bengal and North Western Railways (Rs 1,35 lakhs) partly counterbalanced by nonadjustment of debits of rolling stock (Rs 4,17 lakhs) owing to cancellation of American orders due to cessation of Lend/Lease arrangements

Defence Capital Outlay 17,33,10 The increase was due to the adjustment of expenditure on airfields required for India's own purposes as a result of discovery of an incorrect allocation in previous years. The error came to light only at the time of carrying out the final adjustments for 1945-46 and so was not foreseen at the time of framing the budget estimates.

Decreases.

Posts and Telegraphs 34,08 Decrease was mainly due to reduced capital outlay on new assets (77,91) larger recovery than anticipated from the Defence Department in respect of works carried out under Telecommunication Development Scheme (59,25) and other minor causes (7,63) partly counterbalanced by an increase in the stores balances of the Department (1,09,75) due to larger purchases and in the activities of the Fair Price Shops (97).

Civil Works—Initial Expenditure on New Capital at Delhi. 68,58 Decrease was mainly due to non-settlement of contractors' claims and some construction being not carried out owing to non-selection of final site

III —DEBT
(INCREASE +, DECREASE —)

PUBLIC DEBT —

Permanent Debt—Rupee Debt—

Receipts	—14,56,88	The reduction was due to a change in the borrowing programme of Government
Disbursements	—96,17	
Net Receipts	—13,60,71	

Floating Debt—

Receipts	—70,10,25	The reductions both in receipts and disbursements were due to the gradual cancellation of Treasury bills throughout the year
Disbursements	—66,72,75	
Net Receipts	—3,37,50	

Sterling Debt—

Receipts	Nil	Mainly due to more cancellation of Sterling Stock under Vesting Orders
Disbursements	+ 38,79	
Net Disbursements	+ 38,79	

UNFUNDDED DEBT —

Post Office Savings Bank Deposits—

Receipts	+ 28,62,45	Mainly due to more receipts in and more withdrawals from the Savings Bank Deposits than anticipated
Disbursements	+ 11,30,30	
Net Receipts	+ 17,32,15	

Defence Savings Bank Deposits

Receipts	—2,53,51	Decrease was mainly due to discontinuance of further deposits after 30th June, 1946
Disbursements	—8	
Net Receipts	—2,53,43	

Post Office Cash Certificates

Receipts	+ 66,55	Due to increase in the issue of cash certificates and less discharges during the year than anticipated
Disbursements	—27,77	
Net Receipts	+ 94,32	

Post Office National Savings Certificates and Indian States Certificates—

Receipts	—1,80,25	Mainly due to less sale of National Savings Certificates and more discharges than anticipated.
Disbursements	+ 8,88	
Net Receipts	—1,89,13	

State Provident Fund—

Receipts	+ 2,11,53	Increase under receipts was mainly due to increase in the number of subscribers in the various provident Funds
Disbursements	+ 2,36,02	Larger withdrawals than anticipated
Net Disbursements	+ 24,49	

Other Accounts—

Receipts	+ 35,19	More receipts and withdrawals than anticipated accounted for the variations under the head
Disbursements	+ 17,59	
Net Receipts	+ 17,60	

DEPOSITS AND ADVANCES —

Railway Depreciation and Reserve Funds—

Receipts	+ 1,82,44	Due chiefly to more receipts into Railway Reserve Fund on account of larger surplus and less expenditure from the Depreciation Reserve Fund
Disbursements	—10,80,68	
Net Disbursements	—12,63,12	

Appropriation for Reduction or Avoidance of

Debt—

Sinking Funds—

Receipts	Nil	Due to write off of the balance in the Sinking Fund for 5% Income Tax Free Loan, 1945-55, for which provision was not made in the estimates
Disbursements	+ 18,56,86	
Net Disbursements	+ 18,56,86	

Other Deposits (Bearing interest)—

Receipts	—1,87,12	Mainly due to less credits and withdrawals under the temporary deposit heads than anticipated.
Disbursements	12,23,95	
Net Disbursements	10,36,83	

Fund for the benefit of Cotton Growers

Receipts	—16,84	Due to more debits to the fund than anticipated in connection with the purchase of Indian cotton
Disbursements	+ 2,79,88	
Net Disbursements	+ 2,96,72	

Fund for United Nations Relief and Rehabilitation

Administration—

Receipts	+ 96,74	Mainly due to more receipts on account of transfer to the fund for India's contribution and less payment than anticipated
Disbursements	58,52	
Net Receipts	+ 1,55,26	

Civil Deposits—

Receipts	—36,12,99	Smaller receipts and disbursements which could not be foreseen mainly account for the variation
Disbursements	—25,53,98	
Net Receipts ..	—10,59,01	

Other Deposits—

Receipts	—7,95,00	As against "Civil Deposits."
Disbursements	40,77,26	
Net Disbursements	—32,82,26	

Other Accounts—

Receipts	—7,87,26	Mainly due to less receipts and payments under "Account of payment in respect of provisional assessment of Excess Profits Tax made under Section 14-A of E P Tax Act, 1940"
Disbursements	—15,16,18	
Net Disbursements	—7,28,92	

Advances not bearing Interest—

Receipts	+68,17,57	Both receipts and disbursements exceeded the estimates
Disbursements	+81,74,85	
Net Disbursements	+13,57,28	

Purchases and sales of Silver—

Receipts	+7,76,07	Increased receipts on account of heavier issue of quaternary coinage and net profit from the circulation of quaternary coins were partly counterbalanced by increase under disbursements due to the value of standard Rupee Coins transferred to Surplus Rupee Stock Accounts
Disbursements	+15,13,75	
Net Disbursements	+7,37,68	

LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT —

Receipts	+10,14,76	Increase was mainly due to more recoveries under "Advances to Provincial Governments" and "Loans to Local Funds—Regimental and Other Loans" Less advances by the Defence Services due to reduced demand for Canteen Stores Department, as a result of the cessation of hostilities accounted for the decrease under disbursements
Disbursements	—3,66,36	
Net Receipts	+13,81,12	

IV —REMITTANCESREMITTANCES —

Receipts	+2,16,25,33	Mainly due to expansion of transactions under Indian Money Orders, Exchange Account between England and India, Exchange Account with Defence Services and other Departmental Accounts
Disbursements	+2,29,22,49	
Net Disbursements	+12,97,16	

V. TRANSFER OF CASH BETWEEN ENGLAND AND INDIATRANSFER OF CASH BETWEEN ENGLAND AND INDIA —Remittances through the Reserve Bank—

Receipts	—39,37,59	Cash Remittances from India to England and vice versa on Government Account made
Disbursements	13,21,93	through the Reserve Bank of India were less than anticipated.
Net Disbursements	—3,84,34	

General Remarks

6 After about six years of total war, the year 1945-46 witnessed the end of hostilities following the unconditional surrender of Japan announced early in August, 1945 within about four months of the surrender of Germany. The end of the war did not, however, secure any immediate and substantial diminution in the strain on the country's economy. India's industrial equipment was overworked to almost breaking point and her plans for reconstruction were delayed owing *inter alia* to her inability to import the necessary capital goods. The diversion of a large fraction of the country's productive capacity to purposes of war production had resulted in an enormous shortage of consumer goods the situation being further aggravated by reduced imports.

The original budget estimates for the year placed the total receipts at Rs 3,53,74 lakhs and the total expenditure at Rs 5,17,63 lakhs with a prospective revenue deficit of Rs 1,63,89 lakhs. Several measures of direct and indirect taxation were introduced to reduce the deficit. The direct taxation imposed by the Indian Finance Act, 1945 provided an increase in surcharge on slabs of income above Rs 15,000 and on incomes taxable at the maximum rate. The indirect taxation comprised (i) an increase in the excise duty on the highest class of flue-cured tobacco intended for use in the manufacture of cigarettes and also an increase in the rate of duty on flue-cured tobacco intended for any purpose other than those specified in the excise tariff, (ii) an increase in the standard rate of customs duty on unmanufactured tobacco and the rates for related items cigarettes and manufactured tobacco and (iii) an increase in the rate charged on postal parcels, in the surcharge on telephone rates and that on the trunk call fees and in the surcharge on ordinary and express telegrams. The total additional yield from these measures of taxation was estimated at Rs 11,35 lakhs which was, however, brought down to Rs. 8,60 lakhs on account of earned income relief granted by the Indian Income tax (Amendment) Ordinance, 1945. The new taxation measures thus brought the estimated revenue for the year to Rs 3,62,34 lakhs and reduced the prospective deficit to Rs 1,55,29 lakhs which was left to be covered by borrowing.

The revenue accounts, however, closed with an actual deficit of Rs 1,23,43 lakhs or Rs. 31,86 lakhs less than anticipated mainly due to a decrease of Rs. 33,02 lakhs in the expenditure, set off partly by a shortfall of Rs 1,16 lakhs in the revenue receipts.

On the revenue side, the main decreases were (i) under Central Excise Duties (Rs 2,23 lakhs) due to a fall in the revenue from tobacco, (ii) under Corporation Tax (Rs. 5,61 lakhs) mainly due to fall in receipts from Excess Profits Tax and (iii) under Taxes on Income other than Corporation Tax (Rs 11,80 lakhs) resulting mainly from the increased share of Income Tax revenue payable to Provinces. The large shortfall in Defence receipts was mainly due to a readjustment of the cost of Lend/Lease locomotives originally recovered from the Railway Department. Under "Extraordinary Items", the fall in revenue resulted from the termination, at the end of the war, of the War Risks Factories and Goods Insurance Schemes. On the other hand, there was an improvement of Rs 18,36 lakhs under "Customs" owing to improved shipping conditions resulting from the termination of war and of Rs 4,47 lakhs under "Currency and Mint" owing to an increase in the profit of the Reserve Bank accruing from a larger investment portfolio of securities in the Issue Department. Under "Railways" the actual receipts (including Miscellaneous receipts) for the year amounted to Rs. 2,30,93 lakhs which exceeded the budget anticipation by Rs 6,31 lakhs, the working expenses (including amounts paid to worked lines) amounted to Rs 1,64,50 lakhs against the budget provision of Rs. 1,59,87 lakhs.

the net revenue thus being Rs 66,42 lakhs against Rs 64,75 lakhs anticipated. After meeting interest and miscellaneous charges amounting to Rs 28,22 lakhs, there was a surplus of Rs 38,20 lakhs, of which Rs 32,00 lakhs were transferred to General Revenues and the balance of Rs 6,20 lakhs to the Railway Reserve Fund.

The decrease in expenditure resulted from a decline of Rs 45,02 lakhs in Defence Services mainly due to reduction in expenditure on pay and allowances as a result of the unexpected earlier termination of the war. Under "Extraordinary Items" there was a decrease of Rs 943 lakhs owing specially to the closure of the War Risks Insurance Scheme after the termination of the War and under "Civil Works and Miscellaneous Public Improvements" there was a reduction in expenditure (Rs 2,34 lakhs) mainly due to larger net credit under suspense on account of larger purchases of materials for huge works programme specially towards the close of the year. These decreases were partly counterbalanced by excesses under certain heads the most important being (i) the subvention of Rs 8 crores to Bengal towards her famine relief and rehabilitation, (ii) Rs 1,90 lakhs due to larger expenditure on the strengthening of the central revenue organisation and expansion in the 'nation building' departments and (iii) Rs 2,66 lakhs under "Miscellaneous" owing mainly to less recoveries from the Defence Services as a result of the cessation of war with its consequential curtailed demands and also on account of additional expenditure in connection with the evacuees from Burma and transfer of the amount on account of India's contribution to the Fund for United Nations Relief and Rehabilitation Administration.

CAPITAL OUTLAY OUTSIDE THE REVENUE ACCOUNT.

Capital Outlay during the year.

7 The following table shows the capital expenditure outside the Revenue Account during the year 1945-46.

Nature of Expenditure					Amount of expenditure. (In thousands)
(1) 67-A—Construction of State Railways—Commercial	..	..	..	..	9,83,24
(2) 67-B—Construction of State Railways—Strategic	..	..	..	..	1,65
(3) 67-C—Capital Contributed by Railway Companies towards Outlay on State Railways—Discharge of debentures	..	..	..	..	7
(4) 69—Capital Outlay on Posts and Telegraphs	..	..	..	..	2,17,18
(5) 72—Capital Outlay on Industrial Development	..	..	..	..	19,35
(6) 73—Capital Outlay on Vizagapatam Port	..	..	..	..	11
(7) 77—Currency Capital Outlay	..	..	..	..	2,65
(8) 78—Initial Expenditure on New Capital at Delhi	..	..	..	..	1,42,54
(9) 83—Payments of Commuted Value of Pensions	..	..	..	..	— 36,53
(10) 85—Payments to Retrenched Personnel	..	..	..	..	2,78
(11) 86—Defence Capital Outlay	..	..	..	..	35,09,12
(12) 87—Capital Outlay on Schemes connected with the War, 1939	..	..	..	..	9,03,92
	Total	..	..	..	57,46,08

The expenditure of Rs 9.85 crores under items (1) to (3) above is due largely to payment of the outstanding amount of the purchase price of the Bengal and North-Western and Rohilkund and Kumaon Railways thrown forward from the last year, payment of the purchase of three Railways Podanur-Pollachi, Jacobabad-Kashmore and Dibru-Sadiya by the Government and the purchase of stores for stock purposes and foodstuffs for grainshops.

The progressive capital expenditure outside the Revenue Account of the Central Government, as recorded under the various major heads up to the end of the year 1945-46 has been shown in statement No. 6 of Part A-II Accounts and amounts to Rs. 10,61 crores.

GENERAL STATEMENT OF FINANCIAL RESULTS OF COMMERCIAL
DEPARTMENTS.

(2) *Railways*

8. For the tenth year in succession, Indian Government-owned railways earned a surplus in 1945-46, which amounted to Rs. 38 20 crores. After the separation of railway from general finances in 1924-25, railways produced surpluses to the end of 1929-30. In the six subsequent years ending with 1935-36, there were deficits in working which were met partly by utilising the available balances in the Railway Reserve Fund and partly by borrowing from the Depreciation Reserve Fund.

During the first seven years of the separation (1924-25 to 1930-31) a total contribution of Rs 41.65 crores was paid by railways to general revenues. Of this, Rs 7.82 crores had to be met from the Railway Reserve Fund during the years 1929-30 and 1930-31. No contribution was paid in subsequent years to the end of 1936-37. The further contributions paid during the nine years 1937-38 to 1945-46 amounted to Rs 162 56 crores, thus making an aggregate contribution of Rs 204.21 crores. The amounts paid during the three years ending 1942-43 not only liquidated the arrears of contribution in the years of deficit or inadequate surpluses but included Rs 2.36 crores over and above the amount due. The temporary loans from the Depreciation Reserve Fund amounting to Rs 31.50 crores were also repaid by the end of 1942-43. The payments made to general revenues and the repayments to the Depreciation Reserve Fund for the three years ending 1942-43 were not in strict accordance with the separation convention. From the 1st April, 1943, those clauses of the convention which govern the distribution and allocation of surpluses to general revenues ceased to be in force and *ad hoc* arrangements are being made from year to year considering the relative needs of railway and general revenues. These measures are being taken with the approval of the Legislature to assist general revenues in these abnormal times. For the year under review, the contribution to General revenues was fixed at a lump sum of Rs. 32 crores as was finally done for the previous year.

The gross traffic receipts (excluding worked lines) for 1945-46 amounted to Rs 220.78 crores which exceeded the budget anticipations by Rs 4.88 crores and the actual receipts of the previous year by Rs 8.79 crores. The increase was mainly due to an increase in passenger and miscellaneous earnings partly absorbed by a decrease under other coaching earnings and by suspense.

The revenue expenditure of the year (exclusive of worked lines) was Rs 159.54 crores, which exceeded the budget expectations of the year by Rs 3.77 crores and the actuals of the previous year by Rs 21.65 crores. The increase over the budget was mainly due to greater cost of staff owing to the enhancement of the rates and of scope of dearness allowance and appointment of additional staff, greater cost of and more freight on fuel, more expenditure on compensation for goods lost or damaged, increased maintenance expenditure and more loss on grainshops partly offset by a reduction in the debits on account of non-receipt of certain wagons ordered from the United States of America due to the termination of the lend/lease arrangements and the decision that the metre gauge locomotives received from the United States of America, should be treated as on the Defence Department account.

The net revenue, inclusive of net miscellaneous receipts was Rs 65.38 crores and after payment of interest charges amounting to Rs 27.18 crores there remained a surplus of Rs 38 20 crores which exceeded the budget anticipations by Rs 1.69 crores but fell short of the actuals of the previous year by Rs 11.69 crores. Of this surplus, a sum of Rs 32 crores was paid to general revenues as in the previous year and the balance of Rs 6 20 crores credited to the Railway Reserve Fund, as against Rs 17.89 crores in the previous year.

The contribution made from revenue to the Depreciation Reserve Fund was Rs 17.05 crores as compared with the budget estimate of Rs 17.12 crores and the actuals of Rs 17.01 crores of the previous year. A sum of Rs 0.20 crore recovered from the late Bengal and North Western Railway Company on account of over age rolling stock was also credited to the fund during the year. The amount withdrawn for expenditure from the fund for renewals and replacements of assets was Rs 12.01 crores which was Rs 10.49 crores less than anticipated in the budget. This was mainly due to less debits booked in the year on account of rolling stock. The balance at credit of the fund at the end of the year stood at Rs. 107.45 crores against Rs 92.71 crores anticipated.

The appropriation to the Railway Reserve Fund was Rs 6.20 crores against Rs. 4.51 crores anticipated in the budget. The increase was due to an improvement in traffic receipts partly counterbalanced by an increase in revenue expenditure. There was a withdrawal from the fund of Rs 5.55 crores to meet arrears of depreciation in respect of rolling stock replaced after 1942-43. The balance in the fund at the end of 1945-46 was Rs 38.13 crores.

Under Capital New Construction, a small budget provision of Rs. 0.03 lakh was made for closing the accounts of the Sirdi Right Bank Feeder Railway. Actually, a credit of Rs 0.10 lakh was realised. This was mainly due to certain credits adjusted on the Jodhpur Railway.

The Open Line works programme provided for an expenditure of Rs 39.14 crores comprising Rs 21.97 crores for rolling stock, Rs 6.83 crores for track renewals, Rs 9.18 crores for structural and bridge works, collieries and other emergencies, Rs 2.99 crores for the net increase under stores and manufacture suspense, Rs 2.26 crores for the purchase of the Pedanur-Pollachi, Jacobabad-Kashmore and Dibru Sadiya Railways and circuits amounting to Rs 1.55 crores on account of released materials, Rs 1.36 crores on account of the write off of the cost of dismantled lines and Rs 1.18 crores on account of the cost of assets abandoned before 1924-25. As in the past, it was anticipated that the railways would not be able to work up to their programmes and so a lump sum cut of Rs 7.14 crores was made reducing the budget provision to Rs 32 crores. Of this, it was estimated that Rs 9.50 crores would be chargeable to Capital and Rs 22.50 crores met from the Depreciation Reserve Fund. The actual expenditure was Rs 21.86 crores, of which Rs 9.85 crores were debited to Capital and Rs 12.01 crores met from the Depreciation Reserve Fund. Rolling stock accounted for Rs 6.28 crores, track renewals for Rs. 7.81 crores, structural and bridge-works and collieries for Rs 3.70 crores, stores and manufacture suspense for Rs 4.54 crores, payment of the balance of purchase price of the Bengal and North Western, and Rollikurd and Kumaon Railways for Rs 1.34 crores, purchase price of the Pedanur-pollachi, Jacobabad-Kashmore and Dibru Sadiya Railways for Rs 2.26 crores, while investments in road services accounted for Rs 9 lakhs. Of the credits, those due to released materials amounted to Rs 1.64 crores, while those due to the write off of the cost of dismantled lines and abandoned assets were Rs 1.11 crores and Rs 0.69 crore respectively, the credits due to the write-back of the inflationary element in the works expenditure after 1942-43 and of the cost of military sidings initially charged to capital were Rs 9.69 crore and Rs 0.03 crore respectively. The actual capital outlay was only Rs 35 lakhs in excess of the budget.

A small expenditure of Rs 0.07 lakh was incurred on the discharge of debentures relating to the Bengal Nagpur Railway.

(ii) *Posts and Telegraphs Department*

9 The gross revenue of the Department for the year was estimated at Rs 31,88 lakhs, which exceeded the budget estimate and the actuals of the previous year by Rs 3,96 lakhs and Rs 2,49.52 lakhs respectively. Increased revenue was expected from the enhancement during the year in the postage rates on parcels, surcharge on trunk calls and telephone rentals and charges for ordinary and express telegrams. The Bombay, Calcutta and Madras telephone systems taken over from the licensed Telephone Companies in 1943-44 were also expected to yield larger receipts. The net receipt (surplus) was estimated at Rs 11,84.79 lakhs after allowing Rs 18,93.99 lakhs for working expenses which included a special contribution of Rs 50 lakhs to the Renewals Reserve Fund, and Rs 1,09.22 lakhs for interest charges payable to general revenues. The actual revenue, however, amounted to Rs 33,47.31 lakhs or Rs 1,59.31 lakhs more than the budget estimate, and after deducting working expenses (Rs. 21,11.24 lakhs) and interest charges (Rs 1,05.30 lakhs), the net profit that accrued amounted to Rs 11,30.77 lakhs which was Rs 54.02 lakhs less than what was anticipated. It was larger than the net profit for 1944-45 by Rs 1,06.12 lakhs and was the largest made in any single year since 1925-26 when the accounts of the Department were placed on a commercial basis.

The working expenses of the Department exceeded the budget estimate by Rs 2,17.25 lakhs. This was mainly due to increased activities of the Department necessitating more expenditure on pay charges and maintenance of assets, and certain other factors, such as grant of war and dearness allowances at increased rates, larger payments of pension, and payment of bonus to temporary clerical personnel under the scheme of unified scale of pay. A supplementary grant of Rs 2,11.91 lakhs was obtained from the Legislature in March, 1946. The total provision (Rs 21,07.43 lakhs) consisting of the sanctioned grant for votable items (Rs 20,91.81 lakhs) and the final appropriation for non-voted charges (Rs 15.62 lakhs) proved to be slightly short of actual requirements by Rs 3.81 lakhs.

Larger recoveries than anticipated from the Defence Department on account of capital invested in stores for that Department and reduced capital outlay on works debitible to the Telephone Branch mainly accounted for a saving of Rs 3.92 lakhs in the original estimate of interest charges of the Department. Out of this, Rs 1.53 lakhs only were diverted to other heads by reappropriation of funds in the final estimates which thus proved to be in excess of actual requirements by Rs 2.39 lakhs. The saving was mainly due to reduction in outlay on works debitible to the Telephone Branch and larger recovery of interest from other departments on outlay on capital works during the period of construction.

The annual contribution to the Renewals Reserve Fund (for the depreciation of wasting capital assets) was fixed by Government at Rs 25 lakhs from 1941-42. In addition to this amount, a contribution of Rs 22.24 lakhs was made to the fund during the year in respect of the assets of the Bombay, Calcutta and Madras telephone systems, taken over by the Department in 1943-44. Besides these, a special contribution of Rs 50 lakhs was also made in the current year as decided by Government pending a general review, to be taken up at the end of 1946-47, of the position regarding the ordinary annual contribution to the fund. The aggregate contribution to the fund during the year thus amounted to Rs 97.24 lakhs. The amount debited to the fund for expenditure on renewals and replacements as well as for sold and abandoned assets, etc., was Rs 35.99 lakhs. The balance at the credit of the fund at the end of the year was Rs 512.93 lakhs.

Compared with the actuals of the previous year, the revenue receipts, working expenses and interest charges, increased by Rs 4,08.82 lakhs, Rs 2,95.56 lakhs, and Rs 7.20 lakhs respectively. The increase in revenue was due to the growth in traffic and operation of higher rates. The increase in the working expenses was mainly under pay and pensionary charges (Rs 1,23 lakhs), allowances, honoraria, etc. (Rs 1,56 lakhs), credits to working expenses due to smaller credits for services rendered (Rs 63 lakhs), maintenance of assets and contingencies (Rs 17 lakhs), subsidies and payments to Railway Companies, etc. expenses of Telephone Districts and miscellaneous stores and workshop expenditure (Rs 26 lakhs) and the net increase under other heads (Rs 10 lakhs). Against these increases aggregating Rs 3,95 lakhs there were certain items in which smaller expenditure had been incurred, e.g., reduction in the special contribution to the Renewals Reserve Fund (Rs 50 lakhs), smaller freight charges on transfers of stores (Rs 32 lakhs), reduced expenditure under stationery and printing (Rs 14 lakhs), and the net effect of other minor savings (Rs 3 lakhs). The increase in interest charges was mainly due to increases in capital outlay and in the balance at charge of stores. These were aggravated by smaller recoveries from the Defence Department on account of capital invested in stores for them.

In the year under review, the Department earned a profit of Rs 11,30.77 lakhs, the whole of which was contributed outright to general revenues in conformity with the decision of Government which was to the effect that the Department should contribute Rs 11,84.79 lakhs representing the profit for the year anticipated in the budget estimates or the actual profit whichever was less. The accumulated surplus of the Department at the end of the year thus stood at what it was at the end of the previous year, namely Rs 7,32.63 lakhs. In conformity with the decision of Government, rebate of interest will, however, be allowed to the Department on a maximum of Rs. 1,00 lakhs only of this surplus.

(iii) Irrigation

10 Irrigation works are classified as Productive or Unproductive, according as the net revenue (gross revenue less working expenses) derived from each work on the expiry of ten years from the date of closure of the construction estimate, covers or does not cover the prescribed annual interest charges on the capital invested. The productivity test involves some *pro forma* adjustments which do not appear on the face of the Government accounts.

I Productive Works

The Lloyd Barrage and Canals Construction (Khirtar Branch) irrigates lands in the Nasirabad Section of the Baluchistan territory. The Central Government bears the proportionate share of the capital cost and working expenses incurred by the Government of Sind on the Lloyd Barrage and Canals Construction Scheme. The share is determined on certain agreed formulae. The irrigation revenues pertaining to the section are retained as central revenues. The project was completed in 1933.

The following table summarises the financial results of the Nasirabad Section:

	(In thousands of rupees)		
	1944-45	1945-46	
	(2)	(3)	
(1) Capital outlay to end of the year	1,09,38 1,09,87
(2) Gross receipts	4,43 3,55
(3) Working expenses	3,19 4,13
(4) Net revenue excluding interest	1,24 58
(5) Interest on capital	4,02 3,82
(6) Net profit (+) or loss (-)	-2,78 1,40
(7) Percentage of profit or loss to capital outlay	2 54 4 01
			(Loss) (Loss)

The percentage of loss during 1945-46 is more than that in 1944-45. This is mainly due to decrease in gross receipts owing to a decrease in the area cultivated and increase in the share of working expenses of the Unified Lloyd Barrage System debit able to Nasirabad Section owing to floods, high abkalani rise in prices of labour, material, etc

II Unproductive Works.

The financial results of the Unproductive Works in Central Areas are summarised in the following table.

	(In thousands of rupees)			
	Ajmer-Merwara		Baluchistan	
	1944-45	1945-46	1944-45	1945-46
(1)	(2)	(3)	(4)	(5)
(1) Capital outlay to end of the year	28,44	28,44	35,86	35,91
(2) Gross receipts	79	74	2,58	92
(3) Working expenses	2,31	51	92	1,00
(4) Net revenue excluding interest	—1,52	23	1,66	—8
(5) Interest on capital	95	95	1,24	1,21
(6) Net profit (+) or loss (—)	—2,47	—72	+42	—1,29
(7) Percentage of profit or loss to capital outlay	8.67	2.53	1.17	3.50
	(Loss)	(Loss)	(Profit)	(Loss)

Ajmer-Merwara These works are all irrigation tanks. Compared with 1944-45 there is a slight fall in the receipts which is stated to be due to less area having been irrigated as the tanks received less water owing to scanty rainfall. During the previous two years heavy expenditure on the restoration of breached tanks was incurred and consequently the working expenses during the year under review were less than the normal.

Baluchistan — The fall in the receipts is due to (i) less area irrigated during the year (ii) less revenue realised from sale of water to Military Engineering Services for construction purposes (iii) non-credit by civil authorities of receipts of land revenue and (iv) reduction of rate of Batai wheat.

The increase in the working expenses is due to (i) special expenditure on providing certain well to Nari Canal Head works (ii) increase in the rate of pay of supervising staff and (iii) the grant of dearness allowance.

REVIEW OF DEBT POSITION.

STATEMENT OF BORROWINGS.

11 The following statement shows the debt position of the Central Government at the beginning and close of the year under review

Nature of Debt	On 1st April, 1945		On 31st March, 1946	Difference (+ or -)
	(1)	(2)	(3)	(4)
<i>Rupee Debt (In lakhs of rupees).</i>				
Permanent Debt	..	12,19,09	14,98,93	+2,79,84
Floating Debt	..	86,70	83,33	-3,37
Unfunded Debt	..	2,65,63	3,32,62	+66,99
	Total Rupee Debt	..	15,71,42	19,14,88
			—	+3,43,46
<i>Sterling Debt (in £ 000)</i>				
Permanent Debt	..	47,984	45,059	-2,925
Unfunded Debt	..	2,701	2,647	-54
	Total Sterling Debt.	..	50,685	47,706
			—	-2,979
The same converted into lakhs of Rupees at £ 1 = Rs 13½		67,58	63,61	-3,97
Total Debt = (In lakhs of Rupees) (Rupees and Sterling)	16,39,00	19,78,49		+3,39,49
<i>Deduct—Outstanding loans and advances made by the Central Government to Provincial Governments, Indian States, etc</i>				
		—77,85	61,03	+16,82
Total of Debt—Rupee and Sterling expressed in lakhs of rupees	15,61,15	19,17,46*		+3,56,31*

It will be seen from the statement above that there has been an increase of

Rs 2,79,84 lakhs under Permanent Debt—Rupee Debt.

Rs 66,99 lakhs under Unfunded Debt (India)

Rs 3,46,83 lakhs.

and a reduction of

Rs 3,37 lakhs under Floating Debt (India)

Rs 3,90 lakhs under Permanent Debt (Sterling Debt)

Rs 7 lakhs under Unfunded Debt (England)

Rs 7,34 lakhs

resulting in a net increase of the total debt (Rupee and Sterling) by Rs 3,39 49 lakhs.

There has also been a reduction of assets by Rs 16 82 lakhs (excess of recoveries over disbursements) in the amount of outstanding loans and advances by the Central Government to Provincial Governments, Indian States, etc. As a result, the outstanding debt of the Central Government has increased by Rs 3,56,31 lakhs from Rs 15,61,15 lakhs to 19,17,46 lakhs

Securities amounting to Rs 35,35,54,400 held by the Government in their Cash Balance Investment account and the outstanding balance of the Railway Annuities amounting to Rs 26 crores (equivalent of £ 19,504-6-7) for the repayment

*These figures are provisional as the final adjustments of certain loans issued in 1943 14, 1944-45 and 1945 46 could not be completed during the year under review.

of which the Government of India have deposited the requisite amount with His Majesty's Government and which now appears under debt account for accounting reasons only may, however, be treated as a set off against the total liability of Rs 19,17,46 lakhs

Permanent Debt Rupee Debt The borrowing programme of the Central Government was dominated by Government's anti-inflation programme. The loan programme was again designed with a view to appeal to every type of investor and a variety of loans was offered to the public.

The small savings movement which was inaugurated with the primary object of encouraging consistent savings among the less well-to-do section of the public was further intensified during the year with a view to converting the movement from a war time measure to combat inflation to a peace time organisation to promote thrift and to serve a great social end by building up reserves in the hands of Government for development purposes.

The various items of loans are detailed below :

(i) *Three-Year Interest-Free Defence Bonds* These bonds first issued in June 1940 continued to be available on tap. The period of maturity of the first issue of the bonds was reached in June, 1943. The holders of the Bonds were, however, given the option of renewing their holdings for a further period of three years subject to the same terms and conditions as attached to the original issue. The total receipts during the year under report amounted to Rs 6,97,651 while the payments accounted for during the period were Rs 72,74,569. The total outstanding at the end of March, 1946 as per accounts were Rs 2,27,63,472.

(ii) *Prize Bonds* The Five-Year Interest-Free Prize Bonds, 1949, issued from the 15th January, 1944 continued to be available on tap upto the 7th December, 1945, when it was finally closed. The total receipts accounted for during the year were Rs 1,53,74,080 bringing the total of the entire issue to Rs 5,29,85,500. The Bonds are finally repayable on or after the 15th January, 1949.

(iii) *Three per cent Second Victory Loan, 1959-61* The three per cent. Second Victory Loan, 1959-61 which was issued on the 19th March, 1945 continued to be on tap upto the 15th December, 1945 when it was closed. The total subscription to the loan as provisionally adjusted so far amounted to Rs 1,13,27,91,800 including Rs 5,25,17,900 accounted for in the accounts for 1944-45 in respect of subscriptions for the period 19th to 31st March, 1945

(iv) *Three per cent First Development Loan, 1970 75* This was a cash-cum-conversion loan issued in April, 1945. Subscriptions were in the form of cash or of the 5 per cent Income tax free Loan 1945-55 which had been notified for repayment on the 15th October, 1945. The issue price of the Loan was Rs 97 (cash) for every Rs 100 (nominal). The 5 per cent, Loan, 1945-55 was accepted at Rs 102-8-0 for every Rs 100 (nominal) tendered for conversion. The list for subscriptions was opened on the 16th April, 1945 and closed on the 18th April, 1945. Total subscriptions by the public including conversions amounted to Rs 27,05,83,700. Papers for Rs 13 crores were taken up by Government from their Cash Balance Investment account and sold in full through the Reserve Bank of India. Subsequently, in view of a steady demand on the part of institutional investors and the market generally for a long term investment three further issues of this Loan were placed in the market for sale on tap. These were Rs 30 crores on the 2nd July, 1945, Rs 25 crores on the 15th November, 1945 and Rs 20 crores on the 16th February, 1946. All these papers were sold out in the course of the year. The total of the loan was Rs. 1,15,05,83,700.

(v) *2½ per cent Bonds 1950* In July, 1945, Government announced the issue of the 2½ per cent Bonds, 1950 for Rs 20 crores (approximately). The loan was issued at par and is repayable at par on the 16th July 1950. The list which was opened on the 16th July was closed within one hour of its opening, the requisite amount having been fully subscribed. The total receipts amounted to Rs 20,09,47,000. As, however, it was found that there was a steady demand on the part of the institutional investors and the market generally for a short term loan Government put in the market for sale through the Reserve Bank a further Rs 15 crores, of this loan on the 13th October 1945. These were all sold out by the end of March 1946.

(vi) *2¾ per cent loan, 1960.* In January, 1946 Government announced the issue of the 2¾ per cent loan 1960. This loan was also issued at par and is repayable at par on the 15th July 1960. The list for the loan was opened on the 15th January 1946 and closed on the same day. The total subscription to the loan by the public amounted to Rs 13,63,06,800. In addition, papers for Rs. 12 crores were taken on behalf of Government from the cash balance and kept with the Reserve Bank for gradual sale to the public. Out of these, papers for Rs 35,10,000 were sold upto the 31st March 1946.

(vii) *Special issues through the cash balance investment account.* Apart from the issues made from the cash balance investment account connected with the new issues detailed above, two special issues of existing loans were also made during the year under review to meet the demand from institutional investors and the market generally. The first was a special issue in April 1945 of Rs 25 crores of the 2¾ per cent loan, 1948-52 and the second was a further issue (fifth) in September 1945 for Rs 25 crores of the existing 3 per cent loan, 1963-65. Both these issues continued to be available for sale on Government account by the Reserve Bank of India according to the usual procedure for the sale of special issues. Besides the above, securities for Rs 10,93,17,500 of the 2¾ per cent loan, 1948-52 and for Rs 4,83,95,800 of the 3 per cent Funding loan, 1966-68 remaining unsold on the 31st March 1945 were also placed in the market for sale and were all sold out. The total securities of these special issues sold during the year under review were.

	Rs.
2½ per cent loan, 1948-52	.. 35,93,17,500
3 per cent Funding loan, 1966-68	4,83,95,800
3 per cent loan, 1963-65	25,00,00,000
	65,77,13,300

(viii) *Rupee counterparts created against sterling securities cancelled.* No fresh rupee counterparts were created against repatriation of sterling stocks except for a small amount (Rs 1,28,000) of rupee counterparts created against acquisition of stray lots of sterling securities. These papers were sold during the year.

(ix) *Small Savings.* As a result of the National Savings drive already referred to, the receipts under the various postal savings showed further improvement. The net receipts under the several forms of small savings account were Rs 62,34 lakhs as against Rs 40,70 lakhs in 1944-45. These receipts thus averaged more than Rs 5 crores a month during the year under review. The statement below shows the receipts under the various heads during the year 1940-41 to 1945-46 and also the outstandings under the heads at the end of these years.

Net recei- pt during 1940-41.	Outstand- ing on 31-3-41	Net Recei- pt during 1941-42	Outstan- ding on 31-3-42	Net Recei- pt during 1942-43	Outstan- ding on 1-3-43	Net Recei- pt during 1943-44	Outstan- ding on 31-3-44	Net Recei- pt during 1944-45	Outstan- ding on 31-3-45	Net Recei- pt during 1945-46	Outstan- ding on 31-3-46
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Post office Savings Bank Deposits	—18,81	59,61	—7,43	52,08	+14	52,22	+11,96	64,18	+16,04	80,22	+34,82	1,15,04
Post office Defence Savings Bank Deposits		..	+11	11	+30	41	+3,61	4,02	+4,50	8,52	+1,07	10,49
Post office Cash Certificate	—10,04	46,98	—7,97	39,02	—4,44	34,58	+7	34,65	+1,17	35,82	+2,04	38,76
Post office Ten year Defence Savings certificate	+2,30	2,30	+2,05	4,35	+1,21	5,56	+1,41	6,97	—55	6,42	—50	5,92
Post office Twelve year National Savings certificate									+8,05	8,65	+10,39	28,04
Indian State certificate		..							..	..	+16	15
Total	—26,56	1,08,80	—13,24	95,56	—3,79	92,77	+25,70	1,18,47	40,70	1,59,17	+62,34	2,21,51

Further details of these savings have been discussed in paragraph under 'Unfunded Debt'.

The total receipts from the various loans (including special issues), investments in rupee counterparts and small savings amounted to Rs 4,01,16 lakhs during the year against Rs 2,81,00 lakhs during 1944-45.

The details of the receipts under the several heads are summarised below :

	(In lakhs of Rupees)
1 Three-year Interest Free Defence Bonds	—66
2 Five year Interest Free Prize Bonds, 1949 ..	1,54*
3 Three per cent Second Victory Loan, 1959 61 ..	1,08,03
4 Three per cent First Development Loan, 1970-75 ..	1,15,06
5 2½ per cent Bonds, 1950 ..	35,09
6 2½ per cent Loan, 1960 ..	13,98
7 2½ per cent Loan, 1948 52 ..	35,93
8 3 per cent Loan, 1963 65 } Special issues ..	25,00
9 3 per cent Funding Loan, 1966-68 ..	4,84
10 Sale of Rupee Counterparts ..	1
11 Small Savings [as in item (x) above] ..	62,34
	4,01,16

Repayment, Conversion and Cancellation of Loans Under the terms of the Government of India, Finance Deptt Notifications announcing the issue of the 5 per cent Income tax Free Loan, 1945-55 between 1919-1925 the Government of India had the right to redeem the whole of the above loan or any part of it, at par, on or after the 15th October 1945 on giving three calendar months notice in the Gazette of India. The Government of India accordingly notified in April 1945 that they would redeem the whole of the loan at par on the 15th October 1945. Option was, however, given to the holders of the loan to have their holdings converted into the 3 per cent First Development Loan, 1970-75 floated in April 1945. Out of the total outstanding balance of the loan amounting to Rs 56,74,93,700, securities of the face value of Rs. 18,92,26,000 were converted into the 3 per cent First Development Loan, 1970-75 while securities for Rs. 35,90,92,600 were repaid in cash during the year.

There was no cancellation except a small amount in connection with the creation of rupee counterparts. Repayment of other loans in course of discharge amounted to Rs 277,200.

The outstanding balance of the 5½ per cent. War Bonds, 1925 (notified for discharge in 1925) amounting to Rs 12,750 was credited to revenue during the year on the expiry of the prescribed period of 20 years after which the unclaimed balance of loans is written off the debt account.

The new issues, repayments, conversions and the write off detailed above together with the normal repayment of other loans in course of discharge accounted for the

*This includes receipts for January 1945 to March 1945.

increase in the permanent rupee debt of Rs 2,79,84 lakhs as summarised below —

Addition.	(In lakhs of Rupees.)	Deductions	(In lakhs of Rupees)
(A) New Loans issued—			
(1) Three year Interest Free Defence Bonds	7	Three-year Interest Free Defence Bonds	73
(2) Five year Interest Free Prize Bonds, 1949	1,54	Other Loans in course of discharge ..	3
(3) 3 per cent Second Victory Loan, 1959-61	1,08,03	5 per cent. Loan, 1945-55—	
(4) 3 per cent First Development Loan, 1970-75	1,15,06	(a) Discharged in cash ..	35,91
(5) 2½ per cent Bonds, 1950 ..	35,09	(b) Converted into 3 per cent First Development Loan, 1970-75 ..	18,92
(6) 2½ per cent Loan, 1960	25,63		
Total (A)	2,85,42		
(B) Special Issues—			
(1) 2½ per cent Loan, 1948-52	25,00		
(2) 3 per cent Loan, 1963-65	25,00		
Total (B)	50,00		
(C) Rupee Counterparts created under the Repatriation Scheme	1		
Total (C)	1	(D)	55,59
Total A+B+C	3,35,43		
Net addition A+B+C-D	2,79,84		

Permanent Debt Sterling Debt No fresh sterling loans are being floated in the United Kingdom since 1936. Total repayment of India stocks and Railway Debentures amounted to £61,479-2-6 and £63,099-3-0 respectively during the year. Repayment of the Capital portion of the Railway Annuities (for which the requisite money has been deposited with His Majesty's Government) amounted to £2,586,389 3-6.

Repatriation of Sterling Debt Although the scheme of Repatriation of Sterling Debt was virtually closed, stray lots of these holdings amounting to £209,550-18-6 of the India Stocks and £4,780-0-0 of the Railway Debenture stocks were acquired during the year at a cost of Rs 28,27,758-9-2 and Rs 65,604-7-1 respectively. The rupee finance involved being met by Government from their own cash balance.

The total repayment of sterling debt during the year amounting to £2,925,298-7-6 is detailed below

	£ s. d
Repayment of Sterling Stocks in course of discharge	61,479 2 6
Repayment of Railway Debentures	63,099 3 0
Acquisition of stray lots of vested India Stocks	209,550 18 6
" " Railway Debentures	4,780 0 0
Annual Instalment of Railway Annuities	2,586,389 3 6
	2,925,298 7 6

The total outstanding Sterling Debt at the close of the year 1945-46 was £45,058,703-13-1 as detailed below —

	£ s. d
Sterling Stocks	9,029,215 8 9
Railway Debentures	157,896 0 0
Capital Portion of Railway Annuities	19,504,664 6 7
Unexpired liability for British Government 5 per cent War Loan, 1929-47	15,466,927 17 9
	45,058,703 13 1

Out of the above, India's liabilities in respect of the British Government 5 per cent War Loan, 1929-47 stands suspended since 1st July 1931, while in regard to the Capital portion of the Railway Annuities, the requisite amount for the payment of the annual instalments of this debt has already been deposited with His Majesty's Government. This portion of the debt may, therefore, be treated as liquidated. Excluding the above two items, the total Sterling Debt, therefore, practically stood at about £10 millions at the end of March 1946.

Floating Debt The total of the Treasury Bills outstanding at the end of the year was Rs 83,33 lakhs compared with Rs 86,70 lakhs at the close of the year 1944-45. With the continued improvement in Government's ways and means position as reflected in the high level of their balances, no temporary advance from the Reserve Bank was necessary during the year under review.

Unfunded Debt There was a net increase of Rs 66,99 lakhs during the year under review under 'Unfunded Debt' in India compared to an increase of Rs 45,22 lakhs in 1944-45. The position in respect of the main items under this head is stated below.

Post office Savings Bank Deposits — There was no change in the rate of interest on Post office Savings Bank Deposits which continued at 2 per cent per annum on balance that did not fall below Rs 200 at any time during the year. The total credits during the year (including interest) was Rs 76,12 lakhs against Rs 44,98 lakhs in 1944-45. The total withdrawals during the year were Rs 41,30 lakhs against Rs 28,94 lakhs in 1944-45. There was, therefore, a net receipt of Rs 34,82 lakhs against a net receipt of Rs 16,04 in 1944-45. The total deposits outstanding at the end of March, 1946 amounted to Rs 1,15,04 lakhs against Rs 80,22 lakhs at the end of the previous year.

The total deposit during the year under the "Indian Post office Defence Savings Bank Deposits", was Rs 1,99 lakhs as against Rs 4,53 lakhs during 1944-45. The total withdrawals during the year were Rs 2 lakhs, resulting in a net receipt of Rs 1,97 lakhs. These deposits are not ordinarily to be withdrawn till one year after the end of the war. The rate of interest allowed on these deposits is 2½ per cent per annum. The total deposits outstanding at the end of the year were Rs 10,50 lakhs.

Post Office Cash Certificates There was no change in the issue price of the Post office Cash Certificates, the yield thereon to maturity, continuing at approximately 2½ per cent compound interest free of income tax. The total sales of these certificates during the year amounted to Rs 6,66 lakhs against Rs 5,47 lakhs in 1944-45. Encashments during the year amounted to Rs 3,72 lakhs against Rs 4,31 lakhs in 1944-45. The net receipts during the year, therefore, amounted to Rs 2,94 lakhs against Rs 1,16 lakhs in 1944-45. The total outstanding on the 31st March 1946 amounted to Rs 38,76 lakhs.

Post Office Ten-Year Defence Savings Certificates The sales of these certificates, introduced in June, 1940, were discontinued from the 1st October, 1943. The total encashments during the year were Rs 50 lakhs and the outstanding amount at the end of the year was Rs 5,92 lakhs.

Post Office Twelve-Year National Savings Certificates These certificates were issued from the 1st October 1943 to replace the Ten-Year Defence Savings Certificates. The yield to maturity is 3½ per cent compound interest free of income-tax. These certificates are not ordinarily encashable till after the expiry of 18 months from the date of issue in the case of Rs 5 denomination and 36 months from the date of issue in the case of other denominations issued prior to the 1st October 1945 and 24 months for those issued on or after that date. They are repayable on demand.

after this period with a bonus which gradually rises with the period for which the certificates are retained. The total sales of these certificates during the year were Rs 22,96 lakhs. Encashments during the year were Rs 10 lakhs only. The outstanding balance at the end of March 1946 was Rs 50,90 lakhs.

Indian State Certificates—As a counterpart of the Government of India's Small Savings Scheme, His Exalted Highness the Nizam's Government are issuing National Savings Certificates on behalf of the Government of India, in Halisicca currency through the Hyderabad State Post Office on the same terms and conditions as applicable to the Post Office Twelve-Year National Savings Certificates in British India.

Monthly accounts are rendered by the State Government to the Government of India and settlements are effected in British Indian Currency, the Halisicca being converted at a fixed rate of exchange. The total sales of these certificates during the year amounted to Rs 25 lakhs. The outstanding balance at the end of March 1946 was Rs 40 lakhs.

State Provident Funds. The net receipts under these heads amounted to Rs. 4,12 lakhs during the year as against, Rs 4,28 lakhs during 1944-45. The outstanding balance under these heads on the 31st March, 1946 stood at Rs 97,14 lakhs.

Other accounts The net receipts under these heads amounted to Rs 58 lakhs during the year against Rs 28 lakhs in 1944-45. The outstanding balance at the end of March, 1946 stood at Rs 11,75 lakhs.

Cash Balance As a result of the heavy borrowing that has taken place since 1942-43 the Central Government's balances with the Reserve Bank reached the unprecedented level of Rs 5,30 crores at the end of the year. The year opened with a cash balance of Rs 266 28 crores and closed at Rs 529 53 crores, the net accretion during the year being Rs 263.25 crores.

The statement below shows how the net addition to the outstanding debt of the Central Government (Rs 3,56,31 lakhs) and the net receipts under "Deposits and Advances" (Rs 95,78 lakhs) have been utilised.

Receipts.		Disbursements.	
	(In lakhs of Rupees)		(In lakhs of Rupees)
Increase in Debt .	3,56,31	Revenue Deficit	1,23,43
Deposits & Advances (net)—		Capital Expenditure outside Revenue	
Depreciation Reserve Fund	5,30	Account (Including Rs 35,09 crores	
Other Deposits bearing Interest	56,39	on account of Defence Capital Outlay)	87,46
Sinking Fund	—17,62	Remittances	11,79
Other Appropriations	2,05	Transfer of Cash between England &	
Fund for the benefit of Cotton Growers	1,09	India	—3,84
Fund for India's contribution to the		Addition to Cash Balance . . .	*2,63,25
U N R R A	5,46		
Civil Deposits	—10,01		
Other Deposits	1,83		
Transactions connected with the War	—2,43		
Other Accounts	27,09		
Advances	—8,09		
Purchases & Sales of Silver	5,24		
Suspense	4,39		
Miscellaneous	19,79		
Miscellaneous items	5,30		
	95,78		
Total	.. 4,52,09	Total	.. 4,52,09
			Rs
* Cash Balance on 1-4-45	.. .. .. ..		2,66,27,72,103
Cash Balance on 31-3-46	.. .. .. ..		5,29,52,85,371
Increase . . . . .	.. .. .. ..		2,63,25,13,268

SERVICE OF DEBT

(i) *Interest on Debt and Other Obligations.*

12 The total amount paid by the Central Government during the year out of its current revenue on account of interest charges on its debt and on certain other obligations, such as deposits in the Depreciation Reserve and other Reserve Funds of Railways and other commercial departments and undertakings, etc was Rs 61,40 lakhs against Rs 50,06 lakhs in 1944-45 distributed broadly as under

	(In lakhs of rupees).
(1) Interest on Ordinary Debt (Including Floating Debt)	45,43
(2) Interest on Unfunded Debt which consists, mainly of Provident Funds of Government servants, Savings Bank Deposits and Post Office Cash Certificates, etc	8,53
(3) Interest on Other Obligations	7,44
Total	61,40

A substantial portion of the Central Government's debt was incurred for the benefit of Railways and other commercial departments and undertakings for financing their capital expenditure and a share of the interest charges is transferred to the debit of these departments. Similarly, interest paid by the Provincial Governments on the outstanding balances of advances made to them from time to time out of the borrowed money, is taken in reduction of the gross interest charges. The total recovery on both these accounts came to Rs 30,64 lakhs in 1945-46 against Rs 31,20 lakhs in 1944-45. The details of these charges will be found in account No 5 of Part A II Accounts.

Taking into account the recoveries mentioned above and the interest portion of equated payments on account of commuted value of pensions (Rs 14 lakhs against Rs 16 lakhs in 1944-45) which is also taken in reduction of gross interest, the net burden which fell on the Central Civil Estimates during the year under review was roughly Rs 30,62 lakhs against Rs 18,70 lakhs in 1944-45. Against this, the Government received interest on certain accounts which amounted to Rs 1,67 lakhs in the year under review. This includes receipts on account of interest on (i) Loans and Advances by the Central Government to other than Provincial Governments (Rs 50 lakhs), (ii) Silver Redemption Reserve holdings (Rs 31 lakhs), (iii) Deposit with His Majesty's Government of the money in connection with the funding of the Railway Annuities (Rs. 69 lakhs) and (iv) other miscellaneous items (Rs 17 lakhs).

The statement below shows the gross interest charges as also the amounts of recoveries from Commercial Departments, Provincial Governments etc during the years 1942-43 to 1945-46

	1942-43	1943-44	1944-45	1945-46
Gross Interest charges	40,36	42,88	50,07	61,40
Recoveries	33,39	33,79	31,37	30,78
Net Interest charges	6,97	9,09	18,70	30,62

It will be seen that while the gross interest charges are increasing year by year the amount of recoveries is decreasing resulting in the increase in the net interest charges by more than 400 per cent. The rise in gross charges is mainly due to the full effect of the borrowing for the last few years while the decrease in recoveries is due partly to the disappearance of the Llyod Barrage Debt and advance repayment by certain Provinces of a part of their pre-autonomy consolidated debt and partly to the reduction in the rate of interest chargeable to Commercial Departments as a result of cheaper borrowings in recent years.

(ii) *Reduction or Avoidance of Debt*

13 Under the Scheme of Debt Redemption originally adopted by the Central Government for five years from 1925-26 to 1929-30 which, with certain minor changes, continued to operate till 1932-33, the annual charge against the Central Revenues for the purpose of making provision for reduction or avoidance of debt was to consist of

(i) A sum of Rs 4 crores *Plus*

(ii) A sum representing one eightieth of any excess in the total of the debt outstanding at the end of the preceding year over the total outstanding on the 31st March, 1923.

This annual charge was, according to the scheme, to be applied towards meeting the following expenditure of an obligatory character involving actual redemption of debt

(a) Railway Sinking Funds in operation,

(b) Depreciation Fund of $1\frac{1}{2}$ per cent on the existing 5 per cent rupee loans for which Sinking Funds were established,

(c) The Capital portion of the liabilities assumed in respect of the British 5 per cent War loan, 1929-47 and

(d) The Capital portion of Railway annuities.

The actual provision in 1924-25, the year before the scheme was applied, was Rs 3 78 crores and in 1932-33 the amount rose to Rs 6 84 crores. In 1933-34, however, the Central Government with the concurrence of the Secretary of State for India, decided to reduce the provision to a round sum of Rs 3 crores only in view of the strengthening of the general financial position

This reduced provision was to be regarded as covering the obligatory charges mentioned in (a) and (b) and a part of (d) i.e. the Capital portion of Railway Annuities.

As a result of the Repatriation of the Sterling Debt, under which practically the entire sterling debt of the Government of India has been repaid and of the lump sum deposit with His Majesty's Government for annual payment of the instalment of the Railway Annanities till their final repayment in 1959, there was no longer any necessity for separate provision for items (a) and (d). The annual provision of Rs 3 crores was, therefore, regarded with effect from 1943-44, as covering the depreciation fund of $1\frac{1}{2}$ per cent on the existing 5 per cent Rupee Loan, 1945-55, for which a Sinking Fund was established. This absorbed only Rs 95,04,000 and the balance of the provision viz. Rs 2,04,96,000 was credited to a deposit head which closed to Government Account at the end of the year and thus was merged in general balances

This sum of Rs 3 crores has been charged to Revenue during 1945-46 and has been shown in the Appropriation Account of Grant No 11—Interest on Debt and other Obligations and Reduction or Avoidance of Debt against Sub-heads N and O

The appropriation to the Depreciation Fund of the 5 per cent Rupee Loan, 1945-55 was made in accordance with the undertaking given by the Central Government at the time of the flotation of the loan. As the 5 per cent Rupee Loan, 1945-55 was discharged during the year, the Depreciation Fund of the loan was closed and the balance amounting to Rs, 18,56,86,092 was transferred to "Miscellaneous Government Account".

In addition to the amount mentioned above, the following amounts were also debited to Revenue

(In lakhs of Rupees)

(1) Discount on Loans debited to the major head, " 22 Interest on Debt and Other Obligations "	1,36
(2) Write back of the amount from the Capital major head " 83-Payments of Com- muted value of Pensions " to the Revenue Section of the Accounts	69
Total	2,05

The question of increased provision for reduction or avoidance of debt more in keeping with the size of the Capital Debt was raised by the Public Accounts Committee on more than one occasion. The Committee recommended that the Finance Department should examine whether, in addition to the annual provision of Rs 3 crores for reduction or avoidance of debt, there should not be a separate provision for amortisation of the Railway Debt, once the first quinquennium of the Niemeyer Award was over. In view, however, of the prevailing deficit budgets on account of the war, the Central Government decided to postpone consideration of this question till a more suitable occasion. The Public Accounts Committee considered the question again in their meeting of 1942. They agreed that, so long as the war lasts, the implementing of their recommendations is not practicable. They, however, desired that this important matter should not be lost sight of but be pursued after the war. Pending the consideration of this question the existing provision of Rs 3 crores has been raised to Rs 5 crores in the Budgets for 1946-47 and 1947-48 in view of the growth of the public debt during recent years.

LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT

14 The transactions under this head and the balances outstanding at the beginning and at the end of the year are given in the following table

(In thousands of rupees.)

Heads of account	Balance on 1st April, 1945	Advances made in 1945-46	Total	Recoveries in 1945-46	Balance on 31st March 1946
(1)	(2)	(3)	(4)	(5)	(6)
Advances to Provincial Governments	63,65,65	2,93,27	66,58,92	14,45,72	52,13,20
Advances to Crown Representative	14,83	6,42	21,25	6,04	15,21
Loans to Indian States	2,40,17	23	2,40,40	1,86,81	53,59
Loans to Local Funds, etc	11,55,93	2,04,90	13,60,83	5,44,56	8,16,27
Loans to Government Servants	8,74	7,17	15,91	10,98	4,93
Total	77,85,32	5,11,99	82,97,31	21,94,11	61,03,20

Advances to Provincial Governments. This head records the loans to the Provincial Governments including the balances of their liabilities to the Provincial Loans Fund on the 31st March, 1937, which had not been cancelled under the scheme for the decentralisation of balances and the cancellation and consolidation of debt on the introduction of Provincial Autonomy

Advances to Crown Representative —This head records the advances required by the Crown Representative for making loans to Indian States, Notabilities, etc, and the recoveries thereof

Loans to Indian States This head records (i) the balances of and the transactions in connection with the loans granted by the Central Government prior to the 1st April, 1937, and (ii) loans to Indian States subsequent to that date in pursuance of direct arrangement with the States in most cases a business one.

Out of the total outstanding balance of Rs 53,59, a sum of Rs. 43,22 represents the amount due from the Governments of Cochin and Mysore in Madras. It also includes Rs 1,10 outstanding against two Indian States in the North-West Frontier Province and is free of interest.

Loans to Local Funds, etc This head includes advances of the following classes. —

	Balance on 31st March, 1946		Balance on 31st March, 1946
Loans to Major Port Trusts and Port Funds	5,14,92	Advances to Cultivators	14,38
Loans to Municipalities	88,65	Advances under Special Laws	60,19
Regimental and Other Loans	9,79		
Loans to District and other Local Fund Committees	59,12	Miscellaneous Loans and Advances	69,22
		Total	8,16,27

GUARANTEES GIVEN BY THE CENTRAL GOVERNMENT IN RESPECT OF LOANS RAISED BY PROVINCIAL GOVERNMENTS, RAILWAY COMPANIES, LOCAL BODIES, ETC.

15 The statement below shows capital or loans raised by the Railway Companies, not treated as capital contributed by companies towards outlay on State Railways in Government accounts, on which guarantees in respect of interest on share capital and interest and repayments of debenture capital have been given by the Government. It does not include the share capital and debentures contributed by Railway Companies towards outlay on certain State Railways worked by those companies on which also guarantees have been given by the Government. The liabilities in all the above cases are not, however, of the nature of direct obligations incurred by the Government and, therefore, not considered as part of the Public Debt.

Railways.	Particulars of loan.	Rate of interest.	Actual amount of loan raised on which guarantee has been given by the Government.
(1)	(2)	(3)	(4) Rs
1 Futwa-Islampur	Share capital	3½%	11,50,000
	Loans	5%	7,50,000
2 Dasghara-Jamalpurgan (Bengal Provincial)	Share capital	4% of which 3½% guaranteed by Government and ½% by Bengal Provincial Railway	
	Loans	6%	3,34,000
	Share capital	3½%	3,370
	Debentures	3¾%	17,24,000
	Loans	Imperial Bank rate (now 3½%) ..	3,00,000
3 Ahmadpur-Katwa	Share capital	3½%	86,950
	Debentures	3½%	34,00,000
	Overdraft	Imperial Bank rate (now 3½%) ..	4,00,000
4 Bankura-Damodar River	Share capital	3½%	2,83,585
	Debentures	3½%	17,80,000
	Overdraft	3½%	3,50,000
5 Burdwan-Katwa	Share capital	3½%	19,50,000
	Debentures	3½%	3,00,000
6. Kalighat-Fulta	Share capital	3½%	1,50,000
	Debentures	4½% (a)	49,981
	Do	4% (b)	3,00,000
7. Chaparmukh-Silghat	Cash Credit	3½%	1,50,000
	Share capital	3½%	31,00,000
	Loans	5%	1,50,000
	Do	3½%	1,00,000
	Do	4%	17,152
8 Katakhali Lala Bazar	Share capital	3½%	8,91,100
	Debentures	3½%	6,50,000
		Total	1,79,20,138

(a) In the case of Debentures of 3 Lakhs, the rate of interest was reduced to 3½% on and from 1st October, 1944 by a supplementary agreement dated 10th February, 1945

(b) In the case of Debentures of 1½ lakhs the rate of interest has been reduced to 3½% on and from 1st April, 1945 by a supplementary agreement dated 21st April, 1945.

SUMMARY OF GENERAL FINANCIAL POSITION

16. The year under review witnessed the cessation of hostilities. Germany surrendered unconditionally in May 1945 and Japan followed suit in August 1945. As a result the Defence expenditure registered a fall of Rs 27.69 crores the actual expenditure both on revenue and capital account being Rs 4,06.84 crores against Rs 4,34.53 crores budgeted for, and Rs 7,74.93 crores in the accounts for 1944-45.

The Revenue deficit estimated at Rs 1,55.29 crores actually turned out to be Rs 123.43 crores. Substantial contributions were as in the previous year again made by the two major commercial Departments—the Indian Government Railways (32 crores) and the Posts and Telegraphs Department (11.31 crores). Despite this and imposition of further direct and indirect taxes, recourse had to be taken to borrowing as well to cover budgetary deficit.

The termination of active hostilities did not all at once end the difficulties and abnormalities of the country's economy which the war brought into being. The system of controls, both economic and financial, which was developed during the war, had still to be maintained although some of the controls were withdrawn during the year under review. The other major problems which faced the country at the end of the war were the winding up of the war activities and the diversion of India's economic resources, both human and physical, from winning the War to the tasks of rehabilitation and development and of stabilisation of cost, price and wage structures. The food situation which was showing signs of improvement during the previous year deteriorated mainly on account of (i) the slackness in the enforcement of monopoly procurement in surplus provinces, (ii) inadequacy of imports, and (iii) natural calamities like foods draught, etc in several parts of the country especially in deficit areas. Government tried to meet the crisis through internal measures and obtaining supplies from abroad.

Steps were also taken to implement some of the major recommendations of the Woodhead Famine Enquiry Commission's report which was published during the year. The supply position in respect of textiles having worsened, textile also had to be brought under control. Rationing of selected varieties of cloth was introduced in some of the important towns. The end of the war caused a temporary cessation in the Economic Adviser's index of the wholesale prices but from September the upward trend was resumed and maintained till the end of the year when the index touched the highest for the year at 253.2. For the year as a whole, the index averaged 245.0 against 244.2 in 1944-45.

The total borrowing during the year amounted to Rs 401 crores against Rs 281 crores in 1944-45. Borrowing on this heavy scale not only enabled the Government to cover the revenue deficit but also assisted them in their fight against inflationary conditions arising from huge defence expenditure including expenditure on Allied accounts. As in the previous year, a variety of loans was offered to the public. The small savings scheme became more popular during the year and the net receipts under it increased from 40.70 lakhs during 1944-45 to Rs. 62.34 lakhs during the year 1945-46.

The total gross debt of the Government of India at the end of the year including unfunded debt stood at Rs 1,978 crores out of which sterling debt accounted for Rs 64 crores. A detailed account of the debt position of the Government of India has been given in paragraph 11 of this report.

Against the total net liability of the Government of India of Rs. 1,919 crores (including Rs. 2 crores on account of capital contributed by Railway Companies but allowing for Rs. 61 crores due from Provincial Governments, Indian States and local bodies, etc) a sum of Rs 833 crores represented capital invested in Railways, Posts and Telegraphs and Irrigation works which are all productive. This forms about 43 per cent of the total liabilities of which the largest share is absorbed by Railways. Taking into account the amount of Rs. 61 crores (Rs 35 crores for value of securities held in the Cash Balance Investment Account and Rs 26 crores on account of Railway Annuities which have been funded) and the actual Cash Balance (Rs 530 crores) the total uncovered debt comes to Rs 497 crores against Rs 430 crores at the end of 1944-45. Against this uncovered debt, Rs 48.15 crores on account of debt due from Burma will go to reduce the total debt of the Central Government. The statement in Account No. 6 shows the progressive capital expenditure outside the revenue account.

During the year, interest charges on debt and other obligations amounted to Rs. 61.40 crores. Out of this, interest charges to the extent of Rs 30.78 crores were paid by the productive enterprises or by the Provincial Governments, Indian States, etc. Therefore the actual interest charges incurred by the Central Government was Rs. 30.62 crores against Rs. 18.70 crores in 1944-45. The details in regard to these charges will be found in paragraph 12 while the arrangement made by the Central Government for the amortisation of the public debt has been described in paragraph 13.

Sterling continued to accrue from market purchases and from payments received in London on account of recoverable war expenditure. The total sterling balance held by the Reserve Bank of India was Rs. 1,724 crores on 31st March 1946 against Rs. 1,363 crores held on 31st March 1945.

After India's failure to have a partial multilateral clearing of these balances through the proposed International Monetary Fund, the matter was left over for bilateral settlement between India and the United Kingdom. No progress was, however, made towards these discussions during the year as it was found that it was not possible to have these discussions until the United States Congress had ratified the United States of America-United Kingdom loan agreement. The year under review witnessed the establishment of the International Monetary Fund and the International Bank for reconstruction and development. India joined the institutions as original member having signed the Breton Woods Agreement on the 27th December 1945. Governments' adherence to the Cheap Money Policy and their ability to float loans on progressively more favourable terms either by a reduction in the rate of interest on loans or by an increase in their maturity contributed to the continued firmness of the gilt-edged market during the year, the closing quotations of money of the scrips showing substantial gains over 1944-45.

The year saw a number of scrips touch and soon after cross par value. The 3½ per cent paper which opened at Rs 99.9 in April 1945 reached their highest at Rs 104 in January 1946. When rumours of their repayment (which since proved correct) caused a set back, the 3½ per cents closed at Rs 102. A feature of the year has been a continued shift of the market's preference from medium dated to long dated securities. The 3 per cent Loan, 1963-65, 3 per cent Funding Loan, 1966-68 and 3 per cent First Development Loan, 1970-75 all long dated ones touched par towards the end of the year. The year under review again witnessed a further expansion of note issue. The total notes issued stood at Rs. 1,238.41 crores at the end of 1945-46 as compared with Rs 1,094.66 crores at the end of the previous year, showing an increase of 13.13 per cent. This, however, compares with an increase of 22.93 per cent. in 1943-44 and 22.33 per cent. in 1944-45.

With a view to discouraging black market operations and tax evasions the Government of India promulgated two Ordinances on the 12th January 1946, the first of which required all Banks and Government Treasuries in British India to furnish to Reserve Bank of India a statement of their holdings of bank notes of Rs. 100, Rs. 500, Rs 1,000 and Rs. 10,000 separately as at the close of business on the 11th January 1946. The Second Ordinance demonetised Bank Notes of the denomination of Rs 500 and above with effect from the close of the 12th January 1946. A certain time limit was allowed within which the holders of these notes could get them exchanged for smaller ones. The total value of high denomination notes exchanged up to the 31st March 1946 was Rs 1,23,36, 52,500.

Under "Deposits and Advances" the receipts exceeded the disbursements by about Rs. 96 crores. As stated in paragraph 11, these as well as the increase in debt (Rs. 356 crores) were utilised to meet the revenue deficit of the year (Rs. 123 crores) capital expenditure outside the revenue account (Rs 58 crores) and outstanding remittance transactions awaiting eventual adjustment under final heads (Rs 8 crores), leaving the remainder (Rs. 263 crores) to form an addition to the cash balance.

A GENERAL FINANCE ACCOUNTS

II ACCOUNTS

No 1. GENERAL ABSTRACT OF RECEIPTS AND DISBURSEMENTS.

Receipts	Actuals for 1945-46	Disbursements.	Actuals for 1945-46
(1)	(2)	(3)	(4)
	Rs.		Rs.
REVENUE			EXPENDITURE—
Principal Heads of Revenue			Direct Demands on the Revenue
Customs	73,61,32,276		9,66,94,138
Central Excise Duties	46,36,41,018		
Corporation Tax	84,05,80,397		
Taxes on Income other than Corporation Tax	65,73,89,780		
Salt	10,20,27,371		
Opium	98,88,360		
Other Heads	2,26,96,527		
Total—Principal Heads	2,83,23,55,739		
Railways—Net Revenue	66,42,00,116	Railways—Interest and Miscellaneous charges	34,42,00,116
Irrigation—Net Receipts	—21,746	Irrigation	13,48,752
Posts and Telegraphs—Net Receipts	12,36,06,231	Posts and Telegraphs	1,05,29,598
Debt Services	1,67,19,126	Debt Services	33,61,53,334
Civil Administration	3,32,70,807	Civil Administration	29,45,12,698
Currency and Mint	16,74,94,368	Currency and Mint	1,51,48,079
Civil Works and Miscellaneous		Civil Works and Miscellaneous	
Public Improvements	77,90,253	Public Improvements	1,38,39,957
Miscellaneous	2,71,15,401	Miscellaneous	17,35,59,114
Defence Receipts	11,52,47,163	Defence Services	3,71,76,49,680
Extraordinary Items	9,41,16,813	Contributions and Miscellaneous Adjustments between Central and Provincial Governments	9,73,96,291
		Extraordinary Items	21,36,51,038
		Capital Expenditure within the Revenue Account (Details by Major Heads are given in Account No 2)	15,90,959
Total—Revenue Receipts (A)	4,08,18,94,331	Total—Expenditure on Revenue Account (A)	5,31,61,73,749
Public Debt incurred	6,15,32,80,784	Capital Outlay outside the Revenue Account (Details by Major Heads are given in Account No 2)	
Unfunded Debt incurred	1,23,14,06,441	Public Debt discharged	57,46,07,838
Deposits and Advances	7,52,55,82,002	Unfunded Debt discharged	3,42,76,32,782
Loans and Advances by the Central Government	21,94,10,339	Deposits and Advances	56,22,30,349
Remittances	10,24,61,70,702	Loans and Advances by the Central Government	6,56,77,90,041
Transfer of Cash Between England and India	2,68,49,48,007	Remittances	5,11,98,996
		Transfer of Cash between England and India	19,36,40,46,992
Total—Receipts	.. 41,14,27,07,606	Total—Disbursements	.. 38,51,01,94,338
Opening Balance (P)	.. 2,66,27,72,103	Closing Balance (E)	.. 6,29,52,85,371
Grand Total	.. 43,80,54,79,709	Grand Total	.. 43,80,54,79,709

(A) Revenue deficit during the year Rs. 1,23,42,79,418.

(B) Increase of balance during the year was Rs. 2,63,25,13,268.

No 2—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS

Actuals for 1945-46

Heads of Revenue (1)	Actuals for 1945-46 (2) Rs	Heads of Expenditure (3)	Non-voted. (4) Rs	Voted (5) Rs	Total (6) Rs
A—PRINCIPAL HEADS OR REVENUE—					
I—Customs	73,61,32,276	1—Customs	17,83,259	1,07,82,741	1,25,66,000
II—Central Excise Duties	46,36,41,018	2—Central Excise Duties	1,17,61,966	1,94,67,272	3,12,29,238
III—Corporation Tax	84,05,80,397	3—Corporation Tax	60,065	59,84,022	60,44,087
IV—Taxes on Income other than Corporation Tax	65,73,89,790	4—Taxes on Income other than Corporation Tax		1,00,757	67,94,111
V—Salt	10,20,27,371	5—Salt	46,34,170	89,96,206	1,38,30,376
VI—Opium	98,88,360	6—Opium	59,836	1,50,17,920	1,50,77,756
VII—Land Revenue	27,96,179	7—Land Revenue	7,23,007	2,89,932	10,12,939
VIII—Provincial Excise	88,56,905	8—Provincial Excise	1,01,384	4,83,963	5,85,347
IX—Stamps	83,94,107	9—Stamps	3,47,218	59,91,946	63,39,164
X—Forest	10,74,282	10—Forest	8,86,699	20,11,450	28,98,149
XI—Registration	1,74,346	11—Registration	5,428	15,438	20,866
XII—Receipts under Motor Vehicles Acts	6,39,492	12—Charges on account of Motor Vehicles Acts		4,89,631	4,89,631
XIII—Other Taxes and Duties	7,61,216	13—Other Taxes and Duties		6,569	6,569
Total A—Principal Heads of Revenue	2,83,23,55,739	Total A—Direct Demands on the Revenue	2,04,63,789	7,62,30,344	9,66,04,133
B—RAILWAY REVENUE ACCOUNT—					
XV-A—Indian Government Railways—Commercial Lines—Gross Receipts	2,23,41,78,785	B—RAILWAY REVENUE ACCOUNT—			
		15 A—Indian Government Railways—Commercial Lines—Interest on Debt	25,98,09,246	91,922	25,99,01,168
		Interest on Capital			
Deduct—Working Expenses	—1,58,51,89,784	contributed by Companies and Indian States	8,37,704		8,37,704
Shares of surplus profits paid to Indian States and Railway Companies	—1,28,293	15-B—Indian Government Railways—Strategic Lines—Interest on Debt	1,10,32,609		1,10,32,609
Payments to worked lines	—2,36,38,925	15-C—Subsidised Companies		—28,698	—28,698
Net Receipts	62,52,71,783	15 D—Miscellaneous Railway Expenditure—Commercial Lines	20,64,513	—82,38,487	1,03,03,000
XV-B—Indian Government Railways—Strategic Lines—Gross Receipts	2,31,97,109	15 E—Miscellaneous Railway Expenditure—Strategic Lines	50,909	99,748	1,50,657
Deduct—Working Expenses	—3,62,21,592	15 F—Transfer to Railway Reserve Fund	..	6,20,03,676	6,20,03,676
Net Receipts	—1,30,24,483				
XVI—Subsidised Companies	3,00,962				
XVI-A—Railway Miscellaneous Receipts—(a) Commercial Lines	5,01,23,366				
(b) Strategic Lines	15,28,488				
Total XVI—A	5,16,51,854				
Total B—Railway Revenue Account	66,42,00,116	Total B—Railway Revenue Account	27,37,94,981	7,04,05,135	34,42,00,116

No. 2—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS *contd.*

Heads of Revenue (1)	Actuals for 1945-46 (2)	Heads of Expenditure (3)	Actuals for 1945-46		
			Not voted (4)	Voted (5)	Total (6)
	Rs		Rs	Rs	Rs
C—Irrigation, Navigation, Embankment and Drainage Works		C—REVENUE ACCOUNT OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS—			
XVII—Works for which Capital Accounts are kept—		17—Interest on works for which Capital Accounts are kept	5,98,482	.	5,98,482
Gross Receipts	5,22,032	18—Other Revenue Expenditure financed from Ordinary Revenues	2,77,240	4,73,030	7,50,270
Deduct—Working Expenses	—5,61,704				
Net Receipts	42,372				
XVIII—Works for which no Capital Accounts are kept	20,926				
Total C—Irrigation, etc	—21,746	Total C—Irrigation, etc — Revenue Account	8,75,722	4,73,030	13,48,752
D—POSTS AND TELEGRAPHHS—		D—POSTS AND TELEGRAPHHS— REVENUE ACCOUNT—			
XIX—Posts and Telegraphs—		20—Posts and Telegraphs Interest on Debt	1,05,29,598		1,05,29,598
Gross Receipts	33,47,30,408				
Deduct—Working Expenses	—21,11,21,177				
Net Receipts	12,36,06,231				
E—DEBT SERVICES—		E—DEBT SERVICES—			
XX—Interest	1,67,10,120	22—Interest on Debt and other Obligations			
		A—Interest on Ordinary Debt—			
		(i) Rupee Debt	42,81,90,053	47,44,522	43,29,34,575
		(ii) Sterling Debt	2,12,40,757	41,559	2,12,82,316
		B—Interest on Unfunded Debt	7,72,86,648	79,84,176	8,52,70,824
		C—Interest on Other Obligations	6,93,99,442	50,10,214	7,44,15,656
		D—Transfers—			
		Deduct—Interest transferred to Commercial Departments—			
		Railways	—27,09,65,184		—27,09,65,184
		Posts and Telegraphs	—1,12,49,918		—1,12,49,918
		Irrigation	—5,98,482		—5,98,482
		Salt	—3,75,146		—3,75,146
		Other Commercial Departments	—5,20,283	.	—5,20,283
		Interest paid by Provincial Governments and the Government of Coorg	—2,26,43,503	..	—2,26,43,503
		Interest portion of equated payments on account of commuted value of pensions	—13,97,521		—13,97,521
		Total Transfers	—30,77,50,037		—30,77,50,037
		Total (Net) 22—Interest etc	28,33,66,363	1,77,86,171	30,61,53,334

No. 2 SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS *contd*

Heads of Revenue. (1)	Actuals for 1945-46 (2)	Heads of Expenditure (3)	Actuals for 1945-46		
			Non voted (4) Rs.	Voted (5) Rs.	Total (6) Rs.
		E—DEBT SERVICES—concl'd 23—Appropriation for Re- duction or Avoidance of Debt	3,00,00,000		3,00,00,000
		Total E.—Debt Services	31,83,66,863	1,77,86,471	33,61,53,334
F—CIVIL ADMINIS- TRATION—		F—CIVIL ADMINIS- TRATION—			
XXI—Adminis- tration of Justice	6,84,013	A—Heads of Provinces (including Governor General), Executive			
XXII—Jails and Convict Settle- ments	87,612	B—I legislative Bodies	36,76,459	6,04,532	42,80,991
XXIII—Police	3,86,475	C—Secretariat and Head quarters Establishments	35,528	15,25,142	15,00,970
XXIV—Ports and Pilotage	31,89,973	E—District Administra- tion	1,34,16,170	2,53,29,721	3,87,45,891
XXV—Lighthouses and Lightships	13,10,153	F—Works	10,59,342	8,75,050	19,14,392
XXVI—Education	4,47,745	G—Miscellaneous		87,319	87,319
XXVII—Medical	3,67,792	H—Charges in England—	—1,81,381	1,08,838	—72,543
XXVIII—Public Health	14,02,850	A—Secretary of State for India	24,03,538	64,765	24,68,303
XXIX—Agriculture	6,41,032	B—High Commissioner for India	19,81,656	26,01,900	45,83,556
XXX—Veterinary	13,68,674				
XXXI—Co opera- tion	749				
XXXII—Industries	1,55,960	Total 25—General Adminis- tration	2,23,91,312	3,11,97,567	5,35,88,879
XXXIII—Av ation	10,86,487				
XXXIV—Broadcas- ting	34,95,338	26—Audit	6,76,209	1,41,78,808	1,48,55,017
XXXVI—Miscele- neous Depart- ments.	1,86,45,934	27—Administration of Justice	9,39,416	11,69,491	21,08,907
		28—Jails and Convict Settlements	6,02,799	11,94,805	17,97,604
		29—Police	19,97,00	2,96,17,263	3,10,14,563
		30—Ports and Pilotage			
		A—Major Ports—			
		(1) Pilotage Service	5,07,988	14,70,519	19,87,507
		(2) Other Charges	4,74,941	19,59,128	24,34,369
		B—Other Ports	10,766	1,75,722	1,86,488
		Total 30—Ports and Pilot- age	9,93,605	36,14,609	46,08,364
		31—Lighthouses and Lightships	10,076	12,60,847	12,70,923
		32—Ecclesiastical	8,18,394		8,18,394
		33—Payments to Crown Representative	1,90,04,372		1,90,04,372
		34—Tribal Areas	3,68,26,630		3,68,26,630
		35—External Affairs	1,41,01,890		1,41,01,890
		36—Scientific Departments	12,49,007	1,13,35,378	1,25,84,383
		37—Education—			
		A—University		17,44,223	17,44,223
		B—Secondary	2,13,845	11,57,151	14,00,996
		C—Primary	2,04,957	5,60,611	7,71,568
		D—Special	26,238	6,02,034	6,28,272
		E—General	1,15,327	3,52,046	4,67,373
		F—Charges in England		49,380	49,380
		Total 37—Education	5,90,367	44,71,445	50,61,812
		38—Medical	10,64,440	31,30,397	41,94,837
		39—Public Health	4,07,384	28,57,041	32,64,425
		40—Agriculture	1,69,32,966	72,78,225	2,42,11,191
		41—Veterinary	1,06,647	19,47,125	20,53,772
		42—Co operation		85,822	85,822
		43—Industries	84,79,547	41,75,151	1,26,54,608
		44—Aviation	10,269	39,53,777	39,44,046
		45—Broadcasting	4,303	77,69,414	77,73,717
		47—Miscellaneous Departments	3,24,28,851	56,39,601	3,80,68,452
Total F—Civil Ad- ministration	3,32,70,807	Total F—Civil Administra- tion		15,96,35,874	13,48,76,824
					29,45,12,698

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS *contd*

Heads of Revenue (1)	Actuals for 1945 46 (2)	Heads of Expenditure (3)	Actuals for 1945 46		
			Non-voted. (4)	Voted (5)	Total (6)
	Rs		Rs	Rs	Rs
G—CURRENCY AND MINT—		G—CURRENCY AND MINT—			
XXXVII—Currency	15,18,62,731	48—Currency	2,63,831	37,52,611	40,16,442
XXXVIII—Mint	1,56,31,637	49—Mint	1,84,845	1,09,96,792	1,11,31,637
Total G—Currency and mint	16,74,94,368	Total G—Currency and Mint	3,98,676	1,47,49,403	1,51,48,079
H—CIVIL WORKS AND MISCELLANEOUS PUBLIC IMPROVEMENTS—		H—CIVIL WORKS AND MISCELLANEOUS PUBLIC IMPROVEMENTS—			
XXXIX—Civil Works	77,90,253	50—Civil Works	54,73,122	83,66,815	1,38,39,957
J—MISCELLANEOUS—		J—MISCELLANEOUS—			
XLII—Receipts from Indian States	59,95,335	55—Superannuation Allowances and Pensions	1,41,03,137	1,44,30,006	2,85,33,143
XLIV—Receipts in aid of Superannuation	19,55,998	56—Stationery and Printing	91,923	2,69,68,604	2,70,60,527
XLV—Stationery and Printing	70,05,422	57—Miscellaneous	6,76,379	11,72,89,065	11,79,65,444
XLVI—Miscellaneous	1,21,58,708				
Total J—Miscellaneous	2,71,15,461	Total J—Miscellaneous	1,48,71,439	15,86,87,675	17,35,59,114
K—DEFENCE RECEIPTS—		K—DEFENCE SERVICES—			
XLVII—Defence Receipts—Effective	11,46,78,762	58—Defence Services—Effective	3,61,28,67,112		3,61,28,67,112
XLVIII—Defence Receipts—Non Effective	5,68,401	59—Defence Services—Non Effective	10,46,82,568		10,46,82,568
Total K—Defence Receipts	11,52,47,163	Total K—Defence Services	3,71,75,49,680		3,71,75,49,680
M—EXTRAORDINARY ITEMS—		L—CONTRIBUTIONS AND MISCELLANEOUS ADJUSTMENTS BETWEEN CENTRAL AND PROVINCIAL GOVERNMENTS—			
LI—Extraordinary Receipts	33,43,139	61—Grants in aid to Provincial Governments	1,70,00,000	8,00,00,000	9,70,00,000
LII—Receipts connected with the War, 1939	8,89,83,825	62—Miscellaneous adjustments between Central and Provincial Governments			
LII B—Civil Defence	17,89,849			3,96,291	3,96,291
Total M—Extraordinary Items	9,41,16,813	Total L—Contributions, etc	1,70,00,000	8,03,96,291	9,73,96,291
Total—Revenue Receipts ..	4,08 18 94,331	M—EXTRAORDINARY ITEMS—	70,136		70,136
		63—Extraordinary Charges			
		63 A—Expenditure connected with Post war Planning and Development	2,41,521	45,74,905	48,16,426
		64—Expenditure connected with the War, 1939	19,35,87,059		19,35,87,059
		64 B—Civil Defence	6,366	1,51,70,751	1,51,77,117
		Total M—Extraordinary Items	19,39,05,382	1,97,45,656	21,36,51,038
		Total—Revenue Expenditure ..	4,73,28,65,146	58 17,7,44	5,37,45,82,790

No. 2—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS *concl*

Heads of Revenue (1)	Actuals for 1945-46 (2)	Heads of Expenditure (3)	Actuals for 1945-46		
			Non voted (4) Rs	Voted (5) Rs	Total (6) Rs
CAPITAL EXPENDITURE WITHIN THE REVENUE ACCOUNT—					
AA—5 A—Capital Outlay on Salt Works				1,75,196	1,75,196
CC—19—Construction of Irrigation, Navigation, Embankment and Drainage Works	52,630		2,03,622	2,56,252	
DD—21—Capital Outlay on Posts and Telegraphs			62,567	62,567	
JJ—55 A—Commutation of Pensions financed from Ordinary Revenues	3,15,862		7,81,082	10,96,944	
Total—Capital Expenditure within the Revenue Account	3,68,492		12,22,467	15,90,959	
Total—Expenditure within the Revenue Account	4,73,32,33,638		58,29,40,111	5,31,61,73,749	
CAPITAL OUTLAY OUTSIDE THE REVENUE ACCOUNT—					
BB—Railway Capital Accounts—					
67 A—Construction of Indian Government Railways Commercial	46,185		9,82,77,861	9,83,24,046	
67 B—Construction of Indian Government Railways—Strategic			1,64,875	1,64,875	
67 C—Capital contributed by Railway Companies towards outlay on Indian Government Railways—Discharge of Debentures	6,678		..	6,678	
DD—Posts and Telegraphs Capital Account—					
69—Capital Outlay on Posts and Telegraphs	2,17,18,232		2,17,18,232		
FF—Civil Administration Capital Account—					
72—Capital Outlay on Industrial Development			19,34,833	19,34,833	
73—Capital Outlay on Vizagapatam Port			10,932	10,932	
GG—Currency and Mint Capital Account—					
77—Currency Capital Account	..		2,65,471	2,65,471	
HH—Civil Works and Miscellaneous Public Improvements—					
78—Initial Expenditure on New Capital at Delhi	..		1,42,53,878	1,42,53,878	
JJ—Miscellaneous Capital Account—					
83—Payments of Computed Value of Pensions	—14,37,542		—22,15,170	—36,52,712	
85—Payments to Retrenched Personnel	341		2,77,668	2,78,009	
KK—Defence Services—					
86—Defence Capital Outlay	35,09,12,016		..	35,09,12,016	
MM—Extraordinary Items—					
1—Capital Outlay on Schemes connected with the War, 1939	9,03,91,580			9,03,91,580	
Total—Capital Outlay outside the Revenue Account	43,99,19,258		13,46,88,580	57,46,07,838	
Total—Revenue	4,08,18,94,331	Total—Expenditure	5,17,31,52,896	71,76,28,691	5,89,07,81,587

No. 3 STATEMENT SHOWING THE DISTRIBUTION BETWEEN
NON-VOTED AND VOTED EXPENDITURE

Heads of Expenditure (1)	Acutals for 1945 46		
	Non Voted (2)	Voted (3)	Total (4)
	Rs	Rs	Rs
Expenditure within the Revenue Account	(a) 4,74,19,96,926	(a) 2,43,09,94,298	(a) 7,17,29,91,224
Expenditure outside the Revenue Account	43,99,19,258	13,46,88,580	57,46,07,838
Disbursements under Debt, Deposits, etc., Heads treated as Expenditure	(b) 6,42,664	(b) 39,54,58,686	(b) 39,61,01,350
Total	.. 5,18,25,58,848	2,96,11,41,564	8,14,37,00,412

(a) The figures have been arrived at as follows—Detail of Accounts

Total Expenditure within the Revenue Account as in Account No 2	..	4,73,32,33,638	58,29,40,011	5,31,61,73,749
<i>Add—Working Expenses of—</i>				
Railways	..	67,90,729	1,63,83,37,865	1,64,51,28,594
Irrigation	..	5,13,513	51,191	5,64,704
Posts and Telegraphs	..	14,59,046	20,96,65,131	21,11,24,177
Total	..	4,74,19,96,926	2,43,09,94,298	7,17,29,91,224

(b) The figures have been arrived at as follows—

P—Deposits and Advances—

Part I—Deposits bearing Interest—

(A) Reserve Funds—

Depreciation Reserve Fund—Railways	..	12,01,25,869	12,01,25,869
Railway Reserve Fund	..	5,54,56,208	5,54,56,208

Part III—Advances not bearing Interest—

Advances Repayable	..	15,72,12,268	15,72,12,268
Coinage Accounts	..	1,21,08,009	1,21,08,009

Q—Loans and Advances by the Central
Government—

Advances to Provincial Governments	..	2,93,27,355	2,93,27,355
Advances to Crown Representative	..	6,42,664	6,42,664
Loans to Indian States	..	22,500	22,500
Loans to Local Funds, etc	..	2,04,89,929	2,04,89,929
Loans to Government Servants	..	7,16,548	7,16,548
Total	..	39,54,58,686	39,61,01,350

No 4 DETAILED ACCOUNT OF REVENUE BY MINOR HEADS

Heads.	Actuals for 1945-46 Rs
A.—Principal Heads of Revenue—	
I.—Customs—	
Sea Customs—	
Imports	1,23,69,83,060
Exports	3,75,83,469
Miscellaneous	55,64,750
Land Customs	70,77,283
<i>Deduct—</i>	
Share of Customs Revenue payable to the Travancore and Cochin Governments	—37,73,065
Share of net proceeds of export duties assigned to Provinces	—1,57,35,946
Refunds and drawbacks	—53,15,67,275
Total	73,61,32,276
II.—Central Excise Duties—	
Excise duty on motor spirit	2,32,73,882
Excise duty on kerosene	35,07,146
Excise duty on sugar	5,70,36,046
Temporary excise duty ordinance, 1943	272
Temporary excise duty ordinance, 1944	15,78,962
Excise duty on matches	6 70,00,838
Excise duty on steel ingots	51,52,373
Excise duty on mechanical lighters	44 515
Excise duty on tyres	1,26 90 360
Excise duty on coal and coke	3,47,26,615
Excise duty on tobacco	20,81,78,699
Excise duty on vegetable products	1,33,02,471
Excise duty on betelnuts	1,84,01,172
Excise duty on tea	1,90,23,086
Excise duty on coffee	33,78,626
Miscellaneous	18,90,088
<i>Deduct—Refunds and drawbacks</i>	—55,46,132
Total	46,36,41,018
III.—Corporation Tax—	
Ordinary collections	17,31,55,920
Miscellaneous	568
<i>Deduct—Refunds</i>	—1 62,78,878
Surcharge (net)	6,96,538
Excess profits tax (net)	68,32,81 366
Receipts in England	—2,75,737
Loss or gain by exchange	180
Total	84,05,80,397
IV.—Taxes on Income other than Corporation Tax—	
Income tax	45,26,05,262
Super tax	8,59 12 302
Surcharge (net)	35 91,84,566
Excess profits tax (net)	11,18,47 528
Miscellaneous	52,44,301
Receipts in England	23,01,898
Loss or gain by exchange	4,008
Collection from Burma employees	6,07,159
<i>Deduct—</i>	
Share of net proceeds assigned to Provinces	—28,75,00,000
Refunds	—7,59,07,234
Total	65,73,89,790

No 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS

contd

Heads

Actuals
for
1945-46.
Rs

A.—Principal Heads of Revenue contd

V—Salt—

Sales of Government salt	..	..	..	..	68,66,479
Excise duty on salt manufactured locally	..	..	..	..	8,02,96,394
Duty on imported salt	..	..	..	..	1,58,85,895
Rents of warehouses	..	..	..	..	1,05,896
Fees and cesses	..	..	..	..	3,83,624
Despatch receipts	..	..	..	..	4,98,894
Miscellaneous	..	..	..	..	7,90,056
<i>Deduct</i> —Refunds	..	..	..	..	—27,99,857
			Total	..	10,20,27,371

VI—Opium—

Sale of medical opium	..	..	..	..	2,85,148
Cost price of opium sold to Provincial Governments	..	..	..	..	55,20,494
Sale proceeds of Neemuch Ball opium	..	..	..	..	3,82,129
Sale proceeds of opium and its alkaloids in other countries	..	..	..	..	1,824
Miscellaneous	..	..	..	..	5,31,481
Receipts in England	..	..	..	..	31,85,374
Loss or gain by exchange	..	..	..	..	5,539
<i>Deduct</i> —Refunds	..	..	..	..	—23,629
		Total	..	..	98,88,360

VII—Land Revenue—

Ordinary revenue	..	..	..	..	26,09,081
Recoveries of overpayments	..	..	..	..	135
Collection of payments for services rendered	..	..	..	..	1,633
Miscellaneous	..	..	..	..	5,70,781
<i>Deduct</i> —					
Portion of Land Revenue due to Irrigation	..	..	..	..	—3,83,224
Refunds	..	..	..	..	—2,227
		Total	..	..	27,96,179

VIII—Provincial Excise—

Country spirits	..	..	..	..	53,13,751
Country fermented liquors	..	..	..	..	—237
Malt liquors	..	..	..	..	70,704
Wines and spirits (foreign liquors other than medicated wines and commercial spirits)	..	..	..	..	17,68,620
Receipts from commercial spirits including denatured spirits and medicated wines	..	..	..	..	68,859
Opium	..	..	..	..	14,11,710
Duties on medicinal and toilet preparations containing alcohol, opium, etc	..	..	..	..	4,930
Hemp and other drugs	..	..	..	..	2,46,629
Fines, confiscations and miscellaneous	..	..	..	..	6,195
Recoveries of overpayments	..	..	..	..	481
Collection of payments for services rendered	..	..	..	..	70
<i>Deduct</i> —Refunds	..	..	..	..	—34,381
		Total	..	..	88,56,905

NO. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS-- *contd.*

Heads

Actuals
for
1947-48.
Rs

A.—Principal Heads of Revenue—*contd.*

IX—Stamps—

A—NON JUDICIAL—

Sale of stamps	..	..	..	..	11,08,860
Duty on impressing documents	..	..	..	..	58,842
Fines and penalties	..	..	..	..	1,756
Miscellaneous	..	..	..	..	3,854
<i>Deduct</i> —Refunds	..	..	..	..	—39,491

Total A—Non Judicial .. 11,33,821

B—JUDICIAL—

(i) Court fees—

Court fees realised in stamps	..	..	..	..	7,63,203.
(ii) Other receipts—					
Sale of stamps	..	..	..	..	1,69,218
Fines and penalties	..	..	..	..	583
Miscellaneous	..	..	..	..	4,047
<i>Deduct</i> —Refunds	..	..	..	..	—6,226

Total B.—Judicial .. 9,30,825

C—GENERAL—

Security Printing, India—

Recoveries from different Governments for the value of stamps supplied	..	..	..	..	50,96,245
Other receipts	..	..	..	..	3,33,216

Total C—General .. 63,29,161

Total .. 83,94,107

X—Forest—

Timber and other produce removed from forests by Government agency	..	..	..	..	5,57,270
Timber and other produce removed from forests by consumers and purchasers	..	..	..	..	88,677
Drift and waif wood and confiscated forest produce	..	..	..	..	92
Revenue from forests not managed by Government	..	..	..	..	12,151
Miscellaneous	..	..	..	..	4,16,595
Receipts to England	..	..	..	..	22
<i>Deduct</i> —Refunds	..	..	..	..	—525

Total .. 10,74,282

XI—Registration—

Fees for registering documents	..	..	..	..	1,35,614
Fees for copies of registered documents	..	..	..	..	27,370
Miscellaneous	..	..	..	..	11,550
<i>Deduct</i> —Refunds	..	..	..	..	—188

Total .. 1,74,316

XII—Receipts under Motor Vehicles Acts—

Receipts under the Indian Motor Vehicles Act	..	..	..	..	6,21,307
Fees and other receipts	..	..	..	..	18,185
<i>Total</i>	..	..	..	..	6,39,492

No. 4 DETAILED ACCOUNT OF REVENUE BY MINOR HEADS *contd.*

Heads

Actuals
for
1945 46
Rs

A.—Principal Heads of Revenue—*concl'd*

XIII.—Other Taxes and Duties—

A.—Taxes on Luxuries including taxes on Entertainments, Amusements, Betting and Gambling—

Entertainment Tax

7,45,010

C.—Receipts from Tobacco Duties—

Receipts under the Punjab Tobacco Vend Fees Act, 1934

16,442

D.—Other Items—

Deduct—Refunds

—236

Total

7,61,216

B.—Railway Revenue Account—

XV-A.—Indian Government Railways—

Commercial Lines

Gross Receipts—

Coaching earnings

1,09,34,15,025

Goods earnings

1,09,78,65,063

Sundry other earnings

5,98,42,906

Suspense

—1,69,44,209

Total—Gross Receipts

2,23,41,78,785

Deduct—

Working Expenses—

A.—Maintenance of structural works

—19,72,76,756

B.—Maintenance and supply of locomotive power

45,35,22,389

C.—Maintenance of carriage and wagon stock

—20,09,96,098

D.—Maintenance and working of ferry steamers and harbours

16,84,542

E.—Expenses of Traffic Department

—19,43,60,542

F.—Expenses of General Departments

—7,05,29,368

G.—Miscellaneous expenses

—23,37,24,815

H.—Expenses of Electrical Department

—5,44,03,297

Suspense

—1,17,61,466

Appropriation to Depreciation Reserve Fund

—16,38,80,511

Total—Working Expenses

—1,58,51,39,784

Share of surplus profits paid to Indian States and Railway Companies

—1,28,293

Payments to Worked Lines—

(i) Net earnings

—2,04,37,641

(ii) Payment of dividend, etc to Tanjore and Salem District Board, etc

—23,33,238

(iii) Payments to the late B & N W Railway Company on account
of arrears of net earnings

—8,05,050
—59,996

(iv) Rebate, subsidy, etc

Total—*Deduct*

—1,60,89,07,002

Net

62,52,71,783

XV-B.—Indian Government Railways—

Strategic Lines—

Gross Receipts—

Coaching earnings

91,39,928

Goods earnings

1,32,81,804

Sundry other earnings

7,75,377

Total—Gross Receipts

2,31,97,109

No. 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS.—*contd*

Heads.

Actuals
for
1945-46
Rs.

B.—Railway Revenue Account —*concl*XV-B.—Indian Government Railways—*concl**Deduct—*

Working Expenses—

A — Maintenance of structural works	—31,09,340
B — Maintenance and supply of locomotive power	—1,49,54,307
C — Maintenance of carriage and wagon stock	—33,50,277
D — Expenses of Traffic Department	—30,20,429
E — Expenses of General Departments	—15,69,195
F — Miscellaneous expenses	—28,86,924
G — Expenses of Electrical Department	—7,28,016
Appropriation to Depreciation Reserve Fund	—66,09,104
 Total—Working Expenses	—3,62,21,592
 Net	—1,30,24,483

XVI.—Subsidised Companies—

Government share of surplus profits	10,64,113
Sale of land	22,744
Guarantee and loss recovered from Provincial Governments, etc , for unremunerative lines	—7,85,895
 Total	3,00,962

XVI-A.—Railway Miscellaneous Receipts—

(a) Commercial Lines—

Interest on Depreciation Reserve Fund balances	3,50,58,395
Interest on Railway Reserve Fund balances	1,26,71,701
Interest and dividends on securities purchased from the Reserve Funds	2,20,737
Miscellaneous receipts	21,72,538

(b) Strategic Lines—

Interest on Depreciation Reserve Fund balances	15,28,488
 Total	5,16,51,854

C.—Irrigation Navigation, Embankment and Drainage Works—

XVII.—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—

A.—IRRIGATION WORKS—

(1) Productive Works—

Gross Receipts—	
Direct Receipts	
Water rates	26,365
Sales of water	4
Recoveries of expenditure	
Irrigation land revenue collected in the Civil Department	3,28,903
 Total—Gross Receipts	3,55,272

Deduct

Working Expenses

Maintenance and repairs	—2,31,365
Establishment	—1,73,524
Tools and plant	—8,263

Total—Working Expenses

4,13,152

Net

—57,880

No. 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS *contd.*

Heads	Actuals for 1945-46 Rs.
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C - Irrigation, Navigation, Embankment and Drainage Works—*concl'd.*XVII.—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—*concl'd.*A.—IRRIGATION WORKS *concl'd.*

(2) Unproductive Works—

Gross Receipts—

Direct Receipts	
Water rates	14,394
Sales of water	1,326
Plantation	640
Water power	4,522
Rents	605
Fines	902
Recoveries of expenditure	148
Miscellaneous	89,909
<i>Deduct</i> —Refunds	—7
Irrigation land revenue collected in the Civil Department	54,321

Total—Gross Receipts	1,66,760
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Deduct—

Working Expenses—

Extensions and improvements	—21,064
Maintenance and repairs	—81,445
Establishment	18,085
Tools and plant	—958

Total—Working Expenses	—1,51,552
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Net	15,208
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Total—Net Receipts	42,672
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XVIII.—Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept—

A.—IRRIGATION WORKS—

Direct Receipts—

Water rates	2,279
Plantations	388
Rents	229
Recoveries of expenditure	48
Miscellaneous	17,982

Total	20,926
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D.—Posts and Telegraphs—

XIX.—Posts and Telegraphs—

Abstract A—Postage and message revenue	27,08,48,458
Abstract B—Miscellaneous revenue	6,16,43,976
Abstract BB—Revenue receipts of Telephone Districts	22,37,974

Total—Gross Receipts	33,47,30,408
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4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd*

Heads

Actuals
for
1945-46
Rs

D—Posts and Telegraphs—*concl*d.**XIX—Posts and Telegraphs—*concl*d****Deduct—****Working Expenses—**

Abstract C—General Administration	1,78,33,518
Abstract D—Accounts and Audit	45,71,723
Abstract E—Control Circle Offices	58,32,748
Abstract F—Engineering expenses	1,12 45,916
Abstract G—Pensionary charges	1,44,96,448
Abstract H—Stamps, post cards, printing and stationery	89,12,166
Abstract I—Maintenance of assets	89,08,100
Abstract J—Postal expenses (including cost of combined offices)	12,68,59,912
Abstract K—Telegraph Traffic (excluding cost of combined offices)	1,66,96,449
Abstract L—Telegraph (Radio) expenses	11,08,108
Abstract M—Telephone expenses	69,69,676
Abstract MM—Expenses of Telephone Districts	72,98,251
Abstract N—Contributions to the Renewals Reserve Fund	75,00,000
Abstract O— <i>Deduct</i> —Credits to Working Expenses	—2,71,08,838

Total—Working Expenses

—21,11,24,177

Net Receipts

12,36,06,231

E—Debt Services—**XX—Interest—**

Interest on loans and advances by the Central Government	49,75,166
Interest realised on investments of Cash Balances	1,641
Percentage from subscribers to Service Funds on foreign service	549
Miscellaneous	4,88,740
Receipts in England	1,12,39,571
Loss or gain by exchange	19,547
<i>Deduct</i> —Refunds	—6,088

Total

1,67,19,126

F—Civil Administration—**XXI—Administration of Justice—**

Sale proceeds of unclaimed and escheated property	59,516
Court fees realized in cash	42,217
General fees, fines and forfeitures	6,27,276
Receipts of the Federal Court	4,424
Miscellaneous fees and fines—	
Record room receipts	144
Other receipts	12,034
Recoveries of overpayments	903
Collection of payments for services rendered	5,872
Miscellaneous	8,721
Receipts in England	320
Loss or gain by exchange	1
<i>Deduct</i> —Refunds	—77,415

Total

6,84,013

XXII—Jails and Convict Settlements—

Jails	21,235
Jail manufactures	65,003
Recoveries of overpayments	164
Collection of payments for services rendered	1,250
<i>Deduct</i> —Refunds	10

Total

87,612

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads

Actuals
for
1945-46
Rs.

F.—Civil Administration—*contd.*

XXIII.—Police—

Police supplied to Railways	27,375
Police supplied to public departments, private companies and persons	66,586
Cash receipts under the Arms Act	2,432
Fees, fines and forfeitures	10,218
Recoveries of overpayments	2,59,252
Collection of payments for services rendered	4,751
Miscellaneous	11,462
Receipts in England	4,721
Loss or gain by exchange	8
<i>Deduct</i> —Refunds	—330
Total	3,86,475

XXIV.—Ports and Pilotage—

A.—MAJOR PORTS—

(1) Pilot Service	
Pilotage receipts	23,72,547
Miscellaneous	52,621
Receipts in England	5
(2) Other Receipts—	
Survey fees	1,45,486
Fees for engagement and discharge of seamen	2,37,590
Fees for registration of vessels	1,328
Examination fees and miscellaneous	3,81,845
<i>Deduct</i> —Refunds	—1,449
Total	31,89,973

XXV.—Lighthouses and Lightships—

Light dues	10,59,299
Miscellaneous	2,58,753
<i>Deduct</i> —Refunds	—7,899
Total	13,10,153

XXVI.—Education—

A.—UNIVERSITY—

Fees, Government Arts Colleges	36,778
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B.—SECONDARY—

Fees, Government Secondary Schools	74,609
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C.—PRIMARY—

Fees, Government Primary Schools	5,408
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D.—SPECIAL—

Fees and other receipts, Government Special Schools	70,686
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E.—GENERAL—

Contributions	1,36,596
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Recoveries of overpayments	165
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Collection of payments for services rendered	9,037
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Miscellaneous	1,14,691
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<i>Deduct</i> —Refunds	—225
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Total	4,47,745
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No. 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS.—*contd.*

HEADS.

Actuals
for
1945-46
Rs.

F.—CIVIL ADMINISTRATION—*contd.*

XXVII.—Medical—

Medical School and College fees	..	..	..	..	..	21,054
Hospital receipts	..	..	..	..	..	61,981
Sale of medicines	..	..	..	..	..	64,484
Contributions	..	..	..	..	..	36,160
Recoveries of overpayments	..	..	..	..	..	28
Collection of payments for services rendered	..	..	..	..	..	1,61,091
Miscellaneous	..	..	..	..	..	25,159
Receipts in England	..	..	..	..	..	598
Loss or gain by exchange	..	..	..	..	..	1
<i>Deduct</i> —Refunds	..	..	..	..	..	—2,764
					Total	..
						3,67,792

XXVIII.—Public Health—

Sale proceeds of sera and vaccines, etc...	..	..	..	..	..	12,27,942
Contributions	..	..	..	..	..	56,891
Recoveries of overpayments	..	..	..	..	..	1,773
Collection of payments for services rendered	..	..	..	..	..	36,638
Miscellaneous	..	..	..	..	..	97,846
<i>Deduct</i> —Refunds	..	..	..	..	..	—18,235
					Total	..
						14,02,850

XXIX.—Agriculture

Agricultural receipts	..	..	..	..	..	6,19,126
Recoveries of overpayments	..	..	..	..	..	16,567
Collection of payments for services rendered	..	..	..	..	..	8,299
Receipts in England	..	..	..	..	..	60
<i>Deduct</i> —Refunds	..	..	..	..	..	—3,000
					Total	..
						6,41,052

XXX.—Veterinary—

Collection of payments for services rendered	..	..	..	..	..	9,776
Other receipts	..	..	..	..	..	13,58,891
Receipts in England	..	..	..	..	..	14
<i>Deduct</i> —Refunds	—7
					Total	..
						13,68,674

XXXI.—Co-operative—

Miscellaneous receipts	749
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XXXII.—Industries

Industries	5,600
Government Test House	95,868
Indian School of Mines	53,659
Collection of payments for services rendered	..	..	..	..	..	2,102
Receipts in England	..	..	..	..	..	16
<i>Deduct</i> —Refunds	..	..	..	..	..	—1,285
					Total	..
						1,55,960

No. 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS contd.

Heads.

Actuals
for
1945-46.
Rs

F. Civil Administration—contd

XXXIII.—Aviation—

Aviation receipts	10,85,198
Receipts in England	1,333
Loss or gain by exchange	2
<i>Deduct</i> —Refunds	16
	Total
	10,86,487

XXXIV.—Broadcasting—

Licence fees	20,93,084
Other receipts	3,86,199
Receipts in England	20,603
Loss or gain by exchange	36
<i>Deduct</i> —Refunds	1,524
	Total
	34,95,338

XXXVI.—Miscellaneous Departments

Labour and Emigration—

Emigration fees	1,16,952
Licence fees under the Labour Recruitment Control Order, 1944	7,798
Fees for registration of Trade Unions	96
Miscellaneous—	
Registration of Accountants	90,020
Examination fees	1,65,837
Patent fees	3,59,405
Fees for the inspection of steam boilers	12,104
Fees for the deposit and registration of Trade Marks	2,95,287
Registration of Joint Stock Companies	10,93,433
Administration of Indian Partnership Act, 1932	94
Miscellaneous	1,57,71,445
Fees realised under the Insurance Act, 1938	3,45,309
Imperial Dairy Department	70,276
Fire Service	3,60,682
Receipts in England	1,001
Loss or gain by exchange	2
<i>Deduct</i> —Refunds	44,043
	Total
	1,86,45,934

G. Currency and Mint—

XXXVII. Currency—

Share of surplus profits of the Reserve Bank	14,69,26,894
Currency Note Press	48,08,195
Value of old Currency Notes assumed to be no longer in circulation	1,29,230
Value of unclaimed Currency Notes	2,001
Miscellaneous	4,894
<i>Deduct</i> —Refunds	—8,483
	Total
	15,18,62,731

XXXVIII.—Mint—

Profit from circulation of nickel, bronze and copper coins	1,19,47,938
Fees for coining dollars, etc.	9,91,737
Assay fees	41,240
Miscellaneous	26,51,187
<i>Deduct</i> —Refunds	468
	Total
	1,56,31,637

NO. 4. DETAILED ACCOUNT OF REVENUE BY MINOR HEADS *conid.*

Heads	Actuals for 1945	1945 Rs.
H. Civil Works and Miscellaneous Public Improvements—		
XXXIX. Civil Works—		
Rents	51,81,846	
Ferry receipts	47,873	
Recoveries of expenditure	2,48,839	
Miscellaneous	24,00,112	
Receipts in England	364	
Loss or gain by exchange	1	
Deduct—Refunds	—68,782	
	Total	77,90,253
J.—Miscellaneous—		
XI. II.—Receipts from Indian States		59,95,335
Receipts from Indian States		
XLIV.—Receipts in aid of Superannuation—		
Subscriptions under the Indian Civil Service (Non-European Members)		
Family Pension Rules	1,40,350	
Subscriptions under the Superior Services (India) Family Pension (Untransferred) Rules	17,631	
Contributions for pensions and gratuities	17,17,133	
Deductions for Marine Pension Fund	11,015	
Miscellaneous	8,919	
Receipts in England—		
Dividends to Widows' Funds of the Home Establishment of the East-India Company	26,251	
Subscriptions in aid of the India Office Provident Fund	1,337	
Bengal Civil Fund	13	
Deductions for Marine Pension Fund	674	
Wage deductions on account of contributions to pensions	765	
Subscriptions and Donations—Indian Civil Service (Non-European Members)		
Family Pensions	3,163	
Miscellaneous	29,412	
Loss or gain by exchange	115	
Deduct—Refunds	—782	
	Total	19,55,996
XLV.—Stationery and Printing—		
Stationery receipts		68,85,792
Sale of plain paper used with stamps		13,921
Sale of gazettes and other Government publications		3,49,491
Collection of payments for services rendered		1,316
Other press receipts		3,93,462
Receipts in England		8,556
Loss or gain by exchange		17
Deduct—Refunds		—6,47,133
	Total	70,05,422
XLVI.—Miscellaneous—		
Net gain by exchange on remittance transactions		30,65,512
Unclaimed deposits		7,90,480
Sales of land and houses, etc		6,129
Fees for Government audit		3,40,316
Receipts arising out of the Military Land Scheme, Bombay		2,46,182
Recoveries of overpayments		2,54,953
Collection of payments for services rendered		8,59,122
Other receipts		
Sales of old stores and materials		82,909
Rents, rates and taxes		1,18,521
Naturalisation, passport and copyright fees		1,43,152
Other fees, fines and forfeitures		2,46,479
Interest on cemetery endowments		16,587
Gain by exchange on local transactions		4,375
Ecclesiastical receipts		16,973
Contributions		2,209
Miscellaneous		59,00,330
Recoveries from Evacuees from War Zones		2,26,067

No. 4 DETAILED ACCOUNT OF REVENUE BY MINOR HEADS *concl'd*

Heads	Actuals for 1945-46 Rs
J—Miscellaneous—<i>concl'd</i>	
XLVI—Miscellaneous— <i>concl'd</i>	
Receipts in England	4,93,266
Loss or gain by exchange	859
<i>Deduct—Refunds</i>	—6,55,713
	Total
	1,21,58,708
K—Defence Services—	
XLVII—Defence Receipts—Effective—	
III—War measures chargeable to Indian Revenues—	
A—Receipts in India	11,46,27,617
B—Receipts in England	51,145
	Total
	11,46,78,762
XLVIII—Defence Receipts—Non-effective—	
A—Receipts in India—	
I—Army	2,92,702
II—Air Force	1,961
III—Royal Indian Navy	579
B—Receipts in England—	
I—Army	2,67,978
III—Royal Indian Navy	5,181
	Total
	5,68,401
M.—Extraordinary Items—	
LII.—Extraordinary Receipts—	
Other Items	33,45,106
<i>Deduct—Refunds</i>	—1,967
	Total
	33,43,139
LII.—Receipts connected with the War, 1939—	
Department of Supply—	
Fees on account of inspection of stores purchased through the Department	26,85,368
Fees on account of inspection of stores not purchased through the Department	12,06,925
Fees on account of purchase of stores	24,67,504
Receipts of the Coal Commissioner	53,261
Miscellaneous	10,78,069
Fees levied by the Custodian of Enemy Property	38,437
Recoveries for Lease/Lend stores	46,06,797
Receipts from Road Transport Service, Calcutta	2,55,173
Insurance premia under the War Risks (Factories) Insurance Scheme	1,04,35,276
Transfers from war Risks (Factories) Insurance Fund	2,16,02,029
Miscellaneous	96,34,551
Receipts of the Textile Commissioners	10,44,387
Insurance premia under the War Risks (Goods) Insurance Scheme	1,14,95,153
Transfers from War Risks (Goods) Insurance Fund	2,24,35,990
Receipts in England	1,08,726
Loss or gain by exchange	190
<i>Deduct—Refunds</i>	—1,64,011
	Total
	8,89,83,825
LII B.—Civil Defence—	
Insurance premia and other receipts under the War Injuries Compensation	
Insurance Scheme	81,444
Miscellaneous	17,01,266
Receipts in England	7,690
Loss or gain by exchange	13
<i>Deduct—Refunds</i>	—564
	Total
	17,89,849

No 5—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total. (4) Rs
A.—Direct Demands on the Revenue—			
1.—Customs—			
Sea Customs, charges at the Ports	2,05,430	92,43,434	94,48,864
Land Customs, charges	2,06,503	15,18,334	17,24,837
Assignments and Compensations	13,51,355	12,364	13,63,719
Charges in England	19,937	8,594	28,531
Loss or gain by exchange	34	15	49
Total	17,83,259	1,07,82,741	1,25,66,000
2. Central Excise Duties—			
Charges on collection of Excise Duty on Tobacco		58,885	58,885
Payments to Indian States of share of Match Excise Duty	92,40,180		92,40,180
Amount paid to the Salt Department for share of the cost of combined Central Excise and Salt Department	64,208	1,39,94,204	1,40,58,412
Payment of the net proceeds of the Excise Duty on Coal and Coke to the Coal Mines Stowing Board	24,57,578	..	24,57,578
Compensation paid to the Provincial Governments for the suspension of Provincial measures of taxation on wholesale trade in Tobacco	..	53,73,750	53,73,750
Commission paid to the Posts and Telegraphs Department for sale of Central Excise Revenue Stamps		30,041	30,041
Charges in England		10,374	10,374
Loss or gain by exchange		18	18
Total	1,17,61,966	1,94,67,272	3,12,29,238
3.—Corporation Tax—			
Collection of Corporation Tax	60,065	59,84,022	60,44,087
4.—Taxes on Income other than Corporation Tax—			
Collection of Income Tax	1,38,796	1,26,48,448	1,27,87,244
Other charges		1,207	1,207
<i>Deduct—Proportionate charges transferred to “3—Corporation Tax”</i>	—60,065	—59,84,022	—60,44,087
Charges in England	21,987	27,674	49,661
Loss or gain by exchange	39	47	86
Total	1,00,757	66,93,354	67,94,111
5.—Salt—			
A.—CHARGES OF THE NORTHERN INDIA SALT AND CENTRAL EXCISES DEPARTMENT—			
Direction	29,850	1,99,249	2,29,099
Manufacture and sale		35,31,604	35,31,604
Engineering section		2,65,308	2,65,308
Medical establishment		42,851	42,851
Contribution to the Renewals Reserve Fund		1,38,500	1,38,500
Renewals and Replacements		53,416	53,416
<i>Deduct—Amount met from the Renewals Reserve Fund</i>		—53,416	—53,416
Cost of Accounts and Audit		36,860	36,860
Pensionary charges and contributions to Provident Funds	..	56,581	58,561

No 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Actuals for 1915-16

Heads	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
(1)			
A—Direct Demands on the Revenue—<i>contd.</i>			
5—Salt—<i>contd.</i>			
A—CHARGES OF THE NORTHERN INDIA SALT AND CENTRAL EXCISES DEPARTMENT—<i>contd.</i>			
Preventive establishments		82,20,246	82,20,246
Interest on capital	3,75,146		3,75,146
Royalties and Compensations	36,83,728		36,83,728
Charges in England	8,769	27,838	36,607
Loss or gain by exchange	15	51	66
<i>Deduct</i> —Charges recovered from the Customs Department		—607	607
<i>Deduct</i> —Share debitible to "2—Central Excise Duties"		—78,32,354	—78,32,354
<i>Deduct</i> —Contributions from private parties		—1,712	—1,712
B—CHARGES OF SALT AND CENTRAL EXCISES IN PROVINCES—			
Direction	62,251	85,48,262	86,08,513
Medical establishment		17,918	17,918
Salt purchase and freight		7,51,277	7,51,277
Preventive establishments		27,00,672	27,00,672
Royalties and Compensations	5,40,142	56,951	5,97,098
Cost of printing banderols		7,27,845	7,27,845
Cost of printing Central Excise Stamps and labels		14,437	14,437
Works		1,20,959	1,20,959
<i>Deduct</i> —			
Charges recovered from the Customs Department	—3,553	—24,62,630	—24,66,183
Share debitible to "2—Central Excise Duties"	—64,208	—61,61,850	—62,26,058
	Total	46,34,170	89,96,206
6—Opium—			
Superintendence and other establishments in the United Provinces	14,083	4,11,103	4,25,186
Ghazipur opium factory		6,17,951	6,17,951
Payments for special cultivation in Malwa		65,08,722	65,08,722
Payments to cultivators in the United Provinces		69,29,224	69,29,224
Compensations	31,554		81,554
Miscellaneous opium charges in Calcutta		32,562	32,562
Neemuch opium factory		5,03,732	5,03,732
Miscellaneous		2,197	2,197
Charges in England	14,178	12,404	26,582
Loss or gain by exchange	21	25	46
	Total	59,836	1,50,17,920
7—Land Revenue—			
Charges of administration	2,02,955	51,509	2,54,464
Charges on account of land revenue collections	7,156	10,129	17,285
Survey, Settlement and Record operations	2,83,042	70,141	3,53,183
Land Records	1,36,389	1,52,772	2,89,161
Assignments and Compensations	89,180	5,381	94,561
Charges in England	4,277		4,277
Loss or gain by exchange	8		8
	Total	7,23,007	2,89,932
8—Provincial Excise—			
District Executive Establishment	50,308	2,18,671	2,69,979
Distilleries	12,776		12,776
Cost of opium supplied to Provincial Excise Departments	23,050	2,70,224	2,93,274
Compensations .. .	15,250	68	15,318
	Total	1,01,384	4,83,963
			5,85,347

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd*

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
A—Direct Demands on the Revenue—<i>concld.</i>			
9—Stamps—			
A—NON-JUDICIAL—			
Superintendence		2,829	2,829
Central Stamp Office at Calcutta		3,409	3,409
Charges for the sale of stamps	3,863	11,378	15,241
Cost of stamps supplied from Central Stamp Stores	176	5,828	6,004
B—JUDICIAL—			
Charges for the sale of stamps	763	4,489	5,252
C—GENERAL—			
Security Printing India—			
Capital Account—			
Buildings, etc	..	2,98,773	2,98,773
Revenue Account—			
Working expenses	62,194	56,65,240	57,27,434
Interest on capital	2,80,222		2,80,222
	Total	3,47,218	59,91,946
			63,39,164
 10.—Forest—			
General Direction	57,919	14,365	72,284
Forest Research Institute	1,65,826	11,71,889	13,37,715
Conservancy and Works	5,17,398	4,12,033	9,29,431
Establishment	98,139	3,62,624	4,60,763
Charges in England	47,335	50,452	97,787
Loss or gain by exchange	82	87	169
	Total	8,86,699	20,11,450
			28,98,149
 11.—Registration—			
District charges	5,428	15,438	20,866
 12.—Charges on account of Motor Vehicles Acts—			
Charges of collection		45,669	45,669
Compensations to local bodies, etc		4,43,862	4,43,862
	Total	4,89,531	4,89,531
 13.—Other Taxes and Duties—			
Entertainment tax		6,569	6,569
 AA—Principal Revenue Heads—			
Capital Outlay on Salt Works within Revenue Account—			
5-A—Capital Outlay on Salt Works			
Works		1,10,153	1,10,153
Plant and machinery		65,043	65,043
	Total	1,75,196	1,75,196

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd*

Heads (1)	Actuals for 1945 46			Total (4) Rs
	Non-voted (2) Rs	Voted (3) Rs		
B—Railway Revenue Account—				
15 A—Indian Government Railways—				
Commercial Lines—				
Interest on Debt	25,98,09,246	91,922	25,99,01,168	
Interest on Capital contributed by Companies	8,37,704		8,37,704	
Total	26,06,46,950	91,922	26,07,38,872	
15-B—Indian Government Railways—				
Strategic Lines—				
Interest on Debt	1,10,32,609		1,10,32,609	
15 C—Subsidised Companies—				
Land		30,492	30,492	
Subsidy	..	—59,190	—59,190	
Total		—28,698	—28,698	
15-D—Miscellaneous Railway Expenditure—				
Commercial Lines—				
Railway Board	6,34,046	27,91,629	34,25,675	
Inspection	1,55,141	1,14,621	2,69,762	
Audit	1,63,146	18,09,201	19,72,347	
Railway Rates Advisory Committee		29,168	29,168	
Chief Mining Engineer	—4,063	37,040	32,977	
Chief Controller of Standardization	92,657	3,67,675	4,60,332	
Miscellaneous establishments and charges	30,272	10,74,733	11,05,005	
Pensionary charges	9,43,215	4,57,896	14,01,111	
Surveys	50,099	12,89,047	13,39,146	
Suspense		2,67,477	2,67,477	
Total	20,64,513	82,38,487	1,03,03,000	
15-E—Miscellaneous Railway Expenditure—				
Strategic Lines—				
Inspection	8,859	6,546	15,405	
Audit	2,719	21,274	23,993	
Miscellaneous	38,007	18,211	56,218	
Surveys	1,324	53,717	55,041	
Total	50,909	99,748	1,50,657	
15-F.—Transfer to Railway Reserve Fund		6,20,03,676	6,20,03,676	
C—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works—				
17—Interest on Works for which Capital Accounts are kept—				
Irrigation Works	5,98,482		5,98,482	

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
C—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works—<i>concl'd</i>			
18—Other Revenue Expenditure financed from Ordinary Revenues—			
A—IRRIGATION WORKS—			
(1) Works for which no Capital Accounts are kept—			
Works	44,100		44,100
Maintenance and Repairs	29,764		29,764
Establishment	43,419	3,840	47,259
Tools and Plant	8,406		8,406
Suspense	—17,979		—17,979
Charges in England	2,124		2,124
Loss or gain by exchange	4		4
(2) Miscellaneous Expenditure—			
Establishment	9,478	1,70,243	1,79,721
Tools and Plant		8	8
Other charges		17,530	17,530
Grants in aid		—25,000	—25,000
Charges in England	11,708	2,61,659	2,73,367
Loss or gain by exchange	20	455	475
B.—NAVIGATION, EMBANKMENT AND DRAINAGE WORKS—			
(1) Works for which no Capital Accounts are kept—			
Maintenance and Repairs	1,46,196	39,828	1,86,024
Establishment		2,987	2,987
Tools and Plant		398	398
(2) Miscellaneous Expenditure—			
Establishment		75	75
Tools and Plant		10	10
Other charges		997	997
	Total	2,77,240	4,73,030
			7,50,270
CC—Capital Account of Irrigation, Navigation, Embankment and Drainage Works within the Revenue Account—			
19—Construction of Irrigation, Navigation, Embankment and Drainage Works—			
B—FINANCED FROM ORDINARY REVENUES—			
Irrigation Works	52,630	2,03,622	2,56,252
D—Posts and Telegraphs Revenue Account—			
20—Posts and Telegraphs—			
Interest on Debt—			
Interest on Capital Outlay		1,05,29,598	1,05,29,598
DD—Posts and Telegraphs Capital Account within the Revenue Account—			
21—Capital Outlay on Posts and Telegraphs—			
Amount transferred from "69—Capital Outlay on Posts and Telegraphs—A—Capital Outlay on New Assets"			
		62,567	62,567

No 5—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd*

Heads (1)	Actuals for 1945 46		
	Non voted. (2) Rs	Voted (3) Rs	Total (4) Rs
E—Debt Services—			
22—Interest on Debt and Other Obligations—			
A—Interest on Ordinary Debt—			
(i) RUPEE DEBT—			
1 Interest on Permanent Loans	42,35,42,289		42,35,42,389
2 Discount on Loans	86,10,000		86,10,000
3 Floating Loans—			
Discount on Treasury Bills	26,40,966		26,40,966
4 Other Items—			
Payment of prizes in respect of 5 year interest free Prize Bonds, 1949	9,25,902		9,25,902
Expenditure connected with the issue of new loans	7,30,119	22,63,003	29,94,022
Management of Debt		24,96,580	24,96,580
Management of Railway specific Debt		—91,922	—91,922
Miscellaneous		75,961	75,961
Deduct—Interest realized on investment of cash balances in short term bonds, etc	—82,59,323		—82,59,323
Total—Rupee Debt	42,81,90,053	47,44,522	43,29,34,575
(ii) STERLING DEBT—			
1 Interest on Loans contracted in England under various Acts	52,61,080		52,61,080
2 Interest portion of Annuities created in purchase of Railways	1,07,26,270		1,07,26,270
3 Interest on outstanding liabilities of Railway Companies taken over on purchase or termination of contract	1,73,414		1,73,414
4 Interest on Sterling Loans repatriated to India	—16,414		—16,414
5 Discount on Loans	49,57,293		49,57,293
6 Management of Debt		41,460	41,460
7 Other Items—			
Difference between par value and cost of India Stock purchased for cancellation	1,02,230		1,02,230
Stamp duty on transfer and power of attorney, etc		27	27
8 Loss or gain by exchange	36,884	72	36,956
Total—Sterling Debt	2,12,40,757	41,559	2,12,82,316
B.—Interest on Unfunded Debt—			
1 Special Loans—			
Interest on Loans from the late King of Oudh	7,19,029		7,19,029
Interest on other Special Loans	36,000		36,000
2 Treasury Notes of service and other Funds	2,865		2,865
3 Deposits of Service Funds bearing interest—			
Interest on Bengal Uncovenanted Service Family Pension Fund	2,18,045		2,18,045
Interest on Bengal and Madras Service Family Pension Fund	65,484		65,484
Interest on Bombay Family Pension Fund of Government Servants (Widows' Pension Branch)	1,17,017		1,17,017
Interest on Madras Military Assistant Surgeons' Fund	15,329		15,329
4 Savings Bank Deposits—			
Interest on Post Office Savings Bank Deposits	1,70,37,808		1,70,37,808
Interest on Defence Savings Bank Deposits	23,01,797		23,01,797
5 Post Office Certificates—			
Interest on Post Office Cash Certificates	1,00,00,000		1,00,00,000
Interest on Defence Savings Certificates	24,10,000		24,10,000
6 Payments to Post Office for Savings Bank, Cash Certificate and Defence Savings Certificate work		79,84,176	79,84,176

No 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Heads (1)	Actuals for 1945-46		
	Non-voted. (2) Rs	Voted (3) Rs	Total (4) Rs
E.—Debt Services—<i>contd.</i>			
22.—Interest on Debt and Other Obligations—<i>contd.</i>			
B.—Interest on Unfunded Debt—<i>concl.</i>			
7 State Provident Funds—			
Interest on General Provident Fund	44,35,254		44,35,254
Interest on Indian Civil Service Provident Fund	93,775		93,775
Interest on Indian Civil Service (Non-European Members) Provident Fund	4,579		4,579
8 Other Provident Funds—			
Interest on Defence Savings Provident Fund	8,87,402		8,87,402
Interest on Defence Savings Railway Provident Fund	99,081		99,081
Interest on Defence Services Officers' Provident Fund	4,56,529		4,56,529
Interest on Indian Ordnance Department Provident Fund	4,00,918		4,00,918
Interest on Military Engineer Services Provident Fund	1,210		1,210
Interest on Contributory Provident Fund	4,97,064		4,97,064
Interest on other Miscellaneous Provident Funds	5,00,619		5,00,619
Interest on Deposits in State Railway Provident Institution	2,86,52,097		2,86,52,097
9 Special Deposit Accounts—			
Interest on Postal Insurance and Life Annuity Fund	37,39,407		37,39,407
Interest on General Family Pension Fund	181		181
Interest on Hindu Family Annuity Fund	2,000		2,000
Interest on Bengal Christian Family Pension Fund	69		69
Interest on Bombay Family Pension Fund of Government Servants (Life Assurance Branch)	207		207
Interest on Cemetery Endowment Fund	25,446		25,446
Interest on Railway Staff Benefit Fund	73,548		73,548
Interest on Indian Railway Conference Association Employees' Provident Fund	241		241
Interest on Eastern Group Sleeper Control Provident Fund	10,339		10,339
Interest charges on undisbursed pay of Indian Ranks	37,61,397	..	37,61,397
10. Payments in England—			
Interest on balances of the Indian Civil Service Family Pension Fund	2,76,353		2,76,353
Interest on balances of the Indian Military Service Family Pension Fund	3,84,853	..	3,84,853
Interest on balances of the Indian Military Widows' and Orphans' Fund	59,431		59,431
11 Loss or gain by exchange	1,274		1,274
Total B—Interest on Unfunded Debt	7,72,86,648	79,84,176	8,52,70,824

C.—Interest on Other Obligations

Interest on Depreciation Reserve and other Reserve Funds—			
Interest on Railway Reserve Fund	1,26,71,701	..	1,26,71,701
Interest on Depreciation Reserve Fund— Railways	3,65,86,883	..	3,65,86,883
Interest on Renewals Reserve Fund— Northern India Salt Revenue Department	99,229	..	99,229

No 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Actuals for 1945-46.

Heads	Non-voted. (2) Rs.	Voted (3) Rs.	Total. (4) Rs.
E.—Debt Services <i>contd.</i>			
—22.—Interest on Debt and Other Obligations—<i>contd.</i>			
C.—Interest on Other Obligations—<i>contd.</i>			
Interest on Depreciation Reserve and other Reserve Funds— <i>contd.</i>			
Interest on Renewals Reserve Fund—			
Posts and Telegraphs Department .	16,83,226	..	16,83,226
Interest on General Reserve Fund—			
Lighthouses and Lightships	1,92,479	..	1,92,479
Interest on Depreciation Reserve Fund—			
Lighthouses and Lightships	59,219	..	59,219
Other Items—			
Miscellaneous	1,80,84,681	50,16,214	2,30,80,895
Payments in England—			
Interest on Bengal and North Western Railway 5 per cent Debenture Stock Discount Sinking Fund	71,898	..	71,898
Loss or gain by exchange	126	..	126
Total C—Interest on Other Obligations	6,93,99,442	50,16,214	7,44,15,656
D.—Transfers—			
Deduct—			
Interest transferred to Commercial Departments, etc	—28,37,09,013	..	—28,37,09,013
Interest paid by Provincial Governments and the Government of Coorg	—2,26,43,503	..	—2,26,43,503
Interest portion of equated payments on account of Commuted Value of Pensions	—13,97,521		—13,97,521
Total D—Transfers	—30,77,50,037	..	—30,77,50,037
Total 22—Interest, etc	28,83,66,863	1,77,86,471	30,61,53,334
23.—Appropriation for Reduction or Avoidance of Debt—			
Sinking Funds	95,04,000	..	95,04,000
Other Appropriations	2,04,96,000	..	2,04,96,000
Total	3,00,00,000		3,00,00,000
F.—Civil Administration—			
25. General Administration—			
A—HEADS OF PROVINCES (INCLUDING THE GOVERNOR GENERAL), EXECUTIVE COUNCIL AND MINISTERS—			
Salary of the Governor General ..	2,94,904	..	2,94,904
Secretarial Staff of Governor General	7,76,456	..	7,76,456
Staff and Household of Governor General	3,03,031	..	3,03,031
Sumptuary allowance of Governor General	45,000	..	45,000
State conveyances and motors of the Governor General	66,994	..	66,994
Expenditure from contract allowances	2,81,851	..	2,81,851
Tour expenses ..	2,88,482	..	2,88,482
Chief Commissioners	7,43,641	2,99,742	10,43,383
Executive Council	8,76,100	3,04,790	11,80,890
B—LEGISLATIVE BODIES—			
Council of State ..	1,12,304	1,12,304	
Indian Legislative Assembly ..	35,528	5,00,292	5,35,820
Legislative Assembly Department ..		4,17,362	4,17,362
Elections for Legislature ..		4,95,484	4,95,484

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
F.—Civil Administration—<i>contd.</i>			
25.—General Administration— <i>concl.</i>			
C.—SECRETARIAT AND HEADQUARTERS ESTABLISHMENTS—			
Civil Secretariats	1,27,38,787	2,53,29,721	3,80,68,508
Public Service Commission	6,77,383		6,77,383
E.—DISTRICT ADMINISTRATION—			
General Establishments	6,66,059	7,67,032	14,33,091
Sub divisional Establishments	2,76,476	8,944	2,85,420
Other Establishments	1,16,807	99,074	2,15,881
F Works—			
Original Works		87,319	87,319
G.—MISCELLANEOUS—			
Payment to the Crown Representative's Department on account of work done for or services rendered to the Central Government		6,533	6,533
Payments to other Governments, Departments, etc, connected with administration of Agency Subjects and management of Treasuries		1,01,931	1,01,931
Miscellaneous	1,68,619	374	1,68,993
<i>Deduct</i> —Contributions recovered from other Governments, Departments, etc	3,50,000	..	—3,50,000
H.—CHARGES IN ENGLAND—			
A.—Secretary of State for India—			
Payments to His Majesty's Exchequer towards expenses of the Departments of the Secretary of State for India	23,33,334		23,33,334
Other Items	66,015	64,652	1,30,667
Loss or gain by exchange	4,189	113	4,302
B.—High Commissioner for India—			
Salaries and Expenses of the High Commissioner's Department	7,53,596	24,04,834	31,58,430
Other Items	12,24,633	1,92,470	14,17,103
Loss or gain by exchange	3,427	4,596	8,023
	Total	2,23,91,312	3,11,97,567
26.—Audit—			
Auditor General	68,255	3,94,905	4,63,160
Officers of the Indian Audit Department	6,74,283	24,35,478	31,09,731
Accounts and Audit Offices	24,479	1,92,47,296	1,92,71,775
<i>Deduct</i> —Establishment charges recovered from other Governments, Departments, etc	—2,12,061	—79,73,097	—81,85,158
Charges in England	1,21,072	74,097	1,95,169
Loss or gain by exchange	211	129	340
	Total	6,76,209	1,41,78,808
27.—Administration of Justice—			
Federal Court	3,19,334		3,19,334
High Courts and Chief Courts		1,78,080	1,78,080
Law Officers	70,810	1,83,450	2,54,260
Administrator General and Official Trustees		389	389
Judicial Commissioners	37,237	14,919	52,156
Civil and Sessions Courts	1,11,604	59,927	1,71,531
Courts of Small Causes		60,900	60,900
Criminal Courts	71,182	88,748	1,59,930
Expenditure connected with the trial of offences under the Enemy Agents Ordinance, 1943	..	4,269	4,269
Expenditure connected with the trial of offences under the Criminal Law Amendment Ordinance, 1943	2,52,262	5,59,937	8,12,199
Charges in England	76,854	18,839	95,693
Loss or gain by exchange	133	33	166
	Total	9,39,416	11,69,491
			21,08,907

No. 5—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Actuals for 1945-46

Heads	Non-voted (1) Rs	Voted (2) Rs	Total (3) Rs
F.—Civil Administration—<i>contd.</i>			
28.—Jails and Convict Settlements—			
Jails	5,55,010	11,52,287	17,07,297
Jail manufactures	14,945	21,175	36,120
Charges on account of persons confined or detained in jails outside the Province		7,519	7,519
Works	2,303		2,303
Charges in England	30,488	13,800	44,288
Loss or gain by exchange	53	24	77
Total	6,02,799	11,94,805	17,97,604
29.—Police—			
Presidency Police		1,00,97,238	1,00,97,238
District Executive Force	17,17,441	1,74,80,675	1,91,98,116
Special Police		4,43,563	4,43,563
Railway Police	1,97,474	56,885	2,54,359
Criminal Investigation Department		3,25,678	3,25,678
Miscellaneous		12,09,435	12,09,435
Charges in England	82,243	3,783	86,026
Loss or gain by exchange	142	6	148
Total	19,97,300	2,96,17,263	3,16,14,563
30.—Ports and Pilotage—			
A.—Major Ports—			
(1) PILOT SERVICE—			
Revenue Account—			
Pay and allowances of officers and men afloat	26,369	2,59,498	2,85,867
Victualling allowances of officers and men afloat	1,080	98,315	99,395
Purchase of stores		3,63,309	3,63,309
Repairs and maintenance		96,070	96,070
Pilotage and Pilot establishments	3,47,531	5,91,030	9,38,561
Charges in England	1,32,776	71,170	2,03,946
Loss or gain by exchange	232	127	359
(2) OTHER CHARGES—			
Direction (Headquarters establishments)	75,424	1,22,470	1,97,894
Principal officers and their establishments	2,87,639	8,98,591	11,36,230
Shipping offices	26,605	3,98,032	4,24,637
Ship Survey Department	1,66,297	75,871	2,42,168
Training Ship		4,54,884	4,54,884
Miscellaneous		4,725	4,725
Deduct—Establishment charges recovered from other Governments, Departments, etc	—76,955	—21,650	—98,605
Charges in England	45,851	26,457	72,308
Loss or gain by exchange	80	48	128
B.—Other Ports—			
Ports establishments		26,154	26,154
Shore establishment	10,766	1,49,568	1,60,334
Total	9,93,695	36,14,669	46,08,364

31.—Lighthouses and Lightships**I.—CAPITAL ACCOUNT—**

Tools and plant and equipment	..	1,120	1,120
Stock and suspense		—614	614
Deduct—Amount financed from General Reserve Fund—Lighthouses and Lightships ..	..	—506	—506
Net—amount financed from ordinary Revenues ..	..	..	..

No. 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Actuals for 1945-46

Heads	Non-soc/d.	Voted.	Total.
(1)	(2)	(3)	(4)
	Rs	Rs	Rs
E.—Civil Administration—<i>contd.</i>			
81.—Lighthouses and Lightships—<i>concl'd</i>			
II.—REVENUE ACCOUNT—			
Direction		1,01,099	1,01,099
Lighthouses—Working expenses	7,676	2,05,613	2,13,289
Lightships Working expenses	2,400	1,19,605	1,22,005
Cost of Accounts and Audit		7,055	7,055
Pensionary and Provident Fund charges		20,768	20,768
Contribution to Depreciation Reserve Fund		53,894	53,894
Contribution to the General Reserve Fund		7,32,384	7,32,384
Miscellaneous		14,600	14,600
Charges in England		5,819	5,819
Loss or gain by exchange		10	10
Total	10,076	12,60,847	12,70,923
82.—Ecclesiastical—			
Ecclesiastical establishments		22,56,578	22,56,578
Cemetery establishment		3,06,318	3,06,318
Miscellaneous ecclesiastical charges		6,585	6,585
Works		6,47,470	6,47,470
Charges in England		6,08,372	6,08,372
Loss or gain by exchange		1,071	1,071
<i>Deduct</i> Charges recovered from other Departments			
Railways	—8,43,000		—8,43,000
Defence	—21,65,000		—21,65,000
Total	8,18,394		8,18,394
83.—Payments to Crown Representative			
Crown Representative's Secretariat	8,81,700		8,81,700
Political Agencies	41,43,271		41,43,271
Education expenditure other than in areas	1,546		1,546
Civil Works	7,37,074		7,37,074
Political Pensions	21,12,041		21,12,041
Superannuation Allowances and Pensions	4,52,729		4,52,729
Rajputana	11,23,437		11,23,437
Central India	12,52,594		12,52,594
Hyderabad	12,90,649		12,90,649
Western India States Agency	15,83,288		15,83,288
Bangalore	49,84,571		49,84,571
Miscellaneous	29,15,300		29,15,300
Charges in England	10,84,673		10,84,673
Loss or gain by exchange	1,518		1,518
Gross Expenditure	2,25,64,391		2,25,64,391
<i>Deduct</i> —Receipts	—35,60,019		—35,60,019
Net Expenditure	1,90,04,372		1,90,04,372
84.—Tribal Areas—			
A.—FRONTIER WATCH AND WARD—			
Frontier Constabulary and Militia	..	2,28,66,861	2,28,66,861
Buildings and Communications	..	78,50,889	78,50,889
Miscellaneous	..	4,62,293	4,62,293

No. 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd*

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
F.—Civil Administration—<i>contd</i>			
34.—Tribal Areas <i>concl</i>			
B.—OTHER CHARGES—			
Political and Administrative charges	20,73,526		20,73,526
Works	3,12,834		3,12,834
Allowances to Frontier Tribes	8,76,902		8,76,902
Entertainment charges	4,06,634		4,06,634
Payment to the Baluchistan Administration for administration of Tribal Areas	1,50,000		1,50,000
Miscellaneous expenditure	27,83,953		27,83,953
<i>Deduct</i> —Amount transferred from the Fund for Special Frontier expenditure including Development	—10,12,566		—10,12,566
<i>Deduct</i> —Charges recovered from other Governments, Departments, Indian States, Local Funds, etc	—71,000		—71,000
C.—Charges in England	1,26,062		1,26,062
Loss or gain by exchange	242		242
Total	3,68,26,630		3,68,26,630
35.—External Affairs—			
External Affairs Department Secretariat	15,66,550		15,66,550
Charges on account of Diplomatic and Consular Services in Iran	19,73,838		19,73,838
Other Diplomatic and Administrative Charges	54,81,264		54,81,264
Subsidies	4,98,048		4,98,048
Entertainment charges	97,149		97,149
Special Diplomatic Expenditure	10,00,250		10,00,250
Refugees and State Prisoners	3,15,062		3,15,062
Miscellaneous	10,09,921		10,09,921
Works	9,835		9,835
Charges in England	21,46,234		21,46,234
Loss or gain by exchange	3,740		3,740
Total	1,41,01,890		1,41,01,890
36.—Scientific Departments			
Survey of India	7,30,533	33,77,393	41,07,926
Botanical Survey	20,374	1,11,220	1,31,594
Zoological Survey	15,746	1,58,501	1,74,247
Geological Survey	1,95,898	13,71,354	15,67,252
Exploration of Coal, Petroleum and Minerals	398		398
Mines Department	84,367	2,61,541	3,45,008
Archaeological Department		13,43,628	13,43,628
Grants-in-aid and donations to Scientific Societies and Institutes		6,25,195	6,25,195
Meteorological Department	56,752	37,91,639	38,48,391
Museums		52,231	52,231
Works		32,520	32,520
Charges in England	1,44,682	2,09,786	3,54,468
Loss or gain by exchange	257	368	625
Total	12,49,007	1,13,35,376	1,25,84,383

No 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd*

Actuals for 1945-46

Heads (1)	Non-voted. (2) Rs	Voted (3) Rs	Total (4) Rs
F.—Civil Administration—<i>contd</i>			
37.—Education—			
A.—UNIVERSITY—			
Grants to Universities		13,24,971	13,24,971
Government Arts Colleges		1,12,177	1,12,177
Grants to non Government Arts Colleges		2,60,995	2,60,995
Grants to non Government Professional Colleges		46,080	46,080
B.—SECONDARY—			
Government Intermediate Colleges and Secondary Schools	1,94,878	3,13,336	5,08,214
Direct grants to non-Government Secondary Schools	48,967	6,46,643	6,95,610
Grants to local bodies for secondary education		1,97,172	1,97,172
C.—PRIMARY—			
Government Primary Schools	2,04,957	1,99,832	4,04,789
Direct grants to non-Government Primary Schools		28,902	28,902
Grants to local bodies for primary education		3,37,877	3,37,877
D.—SPECIAL—			
Government Special Schools	15,829	5,98,534	6,14,363
Direct grants to non-Government Special Schools	10,409	3,500	13,909
E.—GENERAL—			
Direction	42,467	14,030	56,497
Inspection	21,407	1,10,271	1,31,678
Scholarships	44,606	24,605	69,211
Miscellaneous	6,347	2,09,140	2,15,987
<i>Deduct—Contributions recovered from other Governments, Departments, etc</i>		—6,000	—6,000
F.—CHARGES IN ENGLAND—			
High Commissioner		49,295	49,295
Loss or gain by exchange		85	85
	Total	5,90,367	44,71,445
			50,61,812
38.—Medical—			
Medical establishments	5,20,452	11,11,107	16,31,559
Hospitals and dispensaries	4,55,125	10,96,501	15,51,626
Grants for medical purposes		8,50,979	8,59,979
Medical Colleges and Schools		32,198	32,198
Mental hospitals	12,391	2,071	14,462
Charges in England	76,340	28,491	1,04,831
Loss or gain by exchange	132	50	182
	Total	10,64,440	31,30,397
			41,94,837
39.—Public Health—			
Public health establishments	1,36,540	6,09,572	8,36,112
Grants for public health purposes	2,000	8,63,463	8,65,463
Expenses in connection with epidemic diseases	1,07,586	6,62,160	7,69,748
Bacteriological laboratories	89,859	6,19,550	7,09,409
Pasteur Institutes		2,682	2,682
Works		5,580	5,580
Charges in England	71,275	4,027	75,302
Loss or gain by exchange	124	7	131
	Total	4,07,384	28,57,041
			32,64,425

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—contd.

Head	Actual for 1915-16		
	Non voted (2) Rs	Voted (3) Rs	Total (1) Rs
F.—Civil Administration—contd			
40.—Agriculture—			
Superintendence		3,10,616	3,10,616
Subordinate and expert staff	44,637	9,71,211	10,18,878
Experimental farms	39,252	2,63,833	2,73,095
Agricultural demonstration and propaganda, including public exhibitions and fairs	3,900		3,900
Agricultural experiments and research	2,17,237	2,386	2,19,623
Agricultural education		7,017	7,047
Imperial Council of Agricultural Research Department	58,959	3,23,856	3,82,815
Scheme for the improvement of Agricultural Marketing in India	26,200	5,26,895	5,53,095
Grant for the improvement of the production and marketing of tobacco		10,00,000	10,00,000
Payments of net proceeds of the Agricultural Produce Cess to the Imperial Council of Agricultural Research	20,40,836		20,40,836
Grants in aid, contributions, etc		20,03,800	20,93,800
Other charges		35,895	35,895
Transfer to the Fund for the benefit of cotton growers	1,41,20,000	.	1,44,20,000
Block grant for transfer to the Sugar (Temporary) Excise Fund		17,80,403	17,80,403
Payment of the net proceeds of customs duty on coffee to the Indian Coffee Market Expansion Board	47,137		47,137
Charges in England	4,800	10,210	14,010
Loss or gain by exchange	8	33	41
Total	1,69,32,966	72,78,225	2,42,11,191
41.—Veterinary—			
Superintendence		3,702	30,064
Subordinate establishment	12,983		12,983
Hospitals and dispensaries	64,03		64,03
Breeding operations	5,12		5,912
Other charges	15,27	18,74,052	18,90,879
Charges in England	3,211	25,767	28,981
Loss or gain by exchange	6	44	50
Total	1,00,647	19,17,123	20,53,772
42.—Co-operation—			
Superintendence		75,222	75,222
Grants in aid		10,500	10,500
Total	—	85,822	85,822
43.—Industries—			
Industries		82,953	82,953
Indian School of Mines	2,60,679		2,60,679
Grants in aid	6,49,500		6,49,500
Government Test House	5,94,917		5,94,917
Scientific and Industrial Research	25,05,020		25,05,020
Central Sericultural Research Station	13,283		13,283
Transfer to Cotton Textile Fund	84,77,517		84,77,547
Charges in England		32,742	32,742
Loss or gain by exchange		57	57
Total	84,79,547	41,75,161	1,26,54,698

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Heads	Actuals for 1945-46		
	Non-voted (2) Rs	Voted. (3) Rs	Total (4) Rs
F. Civil Administration—<i>contd.</i>			
44.—Aviation—			
Direction, Operation and Inspection	10,269	12,33,773	12,44,042
Grants for Aviation purposes		9,16,877	9,16,877
Special grants in-aid from the additional tax on petrol consumed for Aviation purposes		94,883	94,883
Appropriation to Civil Aviation Fund		3,00,000	3,00,000
<i>Deduct</i> —Amount met from Civil Aviation Fund		—94,883	94,883
Works		2,72,338	2,72,338
Special services and miscellaneous expenditure		10,88,782	10,88,782
Charges in England		1,41,752	1,41,752
Loss or gain by exchange		267	267
Total	10,269	39,53,777	39,04,046
45.—Broadcasting—			
Headquarters establishment	4,303	5,77,988	5,82,291
Broadcasting stations		49,30,448	49,30,448
Other charges		20,29,048	20,29,048
Charges in England		2,31,532	2,31,532
Loss or gain by exchange		403	403
Total	4,303	77,69,414	77,73,717
47.—Miscellaneous Departments—			
LABOUR AND EMIGRATION—			
Emigration	1,39,934	5,89,485	7,29,419
Inspector of Factories		264	264
Labour	7,956	12,83,045	12,91,001
INSPECTION AND TEST—			
Explosives		3,05,989	3,05,989
Inspector of Steam Boilers	5,644	27,937	33,581
STATISTICS—			
Bureau of Commercial Intelligence including Statistics	1,08,968	13,24,886	14,33,854
Census	6,539	61,390	67,929
MISCELLANEOUS			
Imperial Dairy Department		4,13,685	4,13,685
Registration of Accountants		24,836	24,836
Fire Services		1,43,026	1,43,026
Superintendent of Insurance		4,39,015	4,39,015
Examinations	3,171		3,171
Imperial Library		83,304	83,304
Controller of Patents and Designs	27,432	1,81,288	2,08,720
Indian War Memorial		5,073	5,073
Registrar of Joint Stock Companies		2,58,614	2,58,614
Registrar of Trade Marks		4,37,307	4,37,307
Administration of Indian Partnership Act, 1932		5,995	5,995
Transfer to the Coal Production Fund	2,63,40,846		2,63,40,846
Transfer to the Coal Mines Labour Welfare Fund	57,62,570		57,62,570
Bonus to colliery owners	62,64,130		62,64,130
Deficit on scheme for the provision of colliery labour	97,96,109		97,96,109
Administration charges paid to other Governments, Departments, etc	17,76,775		17,76,775
Other Charges	9,402		9,402
<i>Deduct</i> —Amount met from the Coal Production Fund	—1,78,46,416		—1,78,46,416
Miscellaneous		17,296	17,296
Charges in England	25,747	35,273	61,020
Loss or gain by exchange	44	1,893	1,937
Total	3,24,28,851	56,39,601	3,80,68,452

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Actuals for 1945-46

Heads (1)	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
FF.—Civil Administration—Capital Accounts within the Revenue Account—			
44 A. Capital Outlay on Civil Aviation—			
A—CIVIL AVIATION—			
Works	1,616	3,62,286	3,63,902
Equipment		8,230	8,230
Establishment	12,228	20,453	32,681
B—MетеOROLOGICAL—			
Works		862	862
Charges in England	3,961		3,961
Loss or gain by exchange	7	.	7
<i>Deduct</i> —Amount met from the Fund for the Development of Civil Aviation	—17,812	3,91,831	4,09,643
Total			..
45-A.—Capital Outlay on Broadcasting—			
Works		3,78,715	3,78,715
Equipment		96,140	96,140
Installation Department		1,10,963	1,10,963
<i>Deduct</i> —Receipts and Recoveries on Capital Account		1,89,973	1,89,973
<i>Deduct</i> —Amount met from the Fund for the Development of Broadcasting		—95,845	—95,845
Total			..
74—Capital Outlay on Lighthouses and Lightships—			
Tools, plant and equipment		1,120	1,120
Stock and suspense		—614	614
<i>Deduct</i> —Amount financed from General Reserve Fund—		.	.
Lighthouses and Lightships		—506	—506
Total			..
G.—Currency and Mint—			
48—Currency—			
CURRENCY NOTE PRESS—			
1 Capital Account—			
Buildings		97,269	97,269
Plant and machinery		—2,25,946	—2,25,946
Minor equipments		1,175	1,175
Miscellaneous		1,253	1,253
<i>Deduct</i> —Depreciation		—1,11,980	—1,11,980
Charges in England		1,11,924	1,11,924
Loss or gain by exchange		195	195
2 Revenue Account—			
(i) Working Expenses	23,770	32,38,060	32,61,830
(ii) Interest on Capital	2,40,061		2,40,061
Miscellaneous		6,40,661	6,40,661
Total	2,63,831	37,52,611	40,16,442
49.—Mint—			
Mint Masters' establishment and contingencies	1,01,956	77,08,573	78,10,529
Loss on coinage		3,648	3,648
Purchase of local stores		30,24,489	30,24,489
Works		2,16,105	2,16,105
Charges in England	32,832	43,896	76,728
Loss or gain by exchange	57	81	138
Total	1,34,845	1,09,96,792	1,11,31,637

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd*

Head ^a	Actuals for 1945-46		
	Non vot. l (2) Rs	Voted. (3) Rs	Total. (4) Rs
H—Civil Works and Miscellaneous Public Improvements			
50.—Civil Works—			
Original Works—Buildings—			
Customs		77,646	77,646
Taxes on Income		15,102	15,402
Salt		97,933	97,933
Opium		16,817	16,847
Land Revenue	207		207
Excise		52	52
Forest		6,15,123	6,18,124
General Administration	4,16,779	12,19,500	16,96,279
Audit		2,17,60	2,17,60
Administration of Justice		11,955	11,955
Jails and Convict Settlements	5,198	7,21	12,410
Police	3,10,801	21,702	32,503
Ports and Pilotage		72,516	72,516
External Affairs	1,26,875		1,26,875
Scientific Departments	579	7,75,844	7,76,423
Education other than European and Anglo-Indian Education	1,09,576	55,674	1,65,270
Medical	1,22,617	33,59	1,62,176
Public Health		24,811	24,811
Agriculture	1,470	55,417	56,887
Veterinary	27,156	35,049	62,105
Industries		57,915	57,915
Mint		1,07,478	1,07,478
Civil Works	72,776	98,088	171,724
Stationery and Printing		31,711	31,711
Miscellaneous Departments	2,134	3,67,711	3,64,845
Air Raid Precautions	6,500	—1,039	—9,659
Total—Original Works—Buildings	12,17,568	74,05,567	86,23,135
 Original Works—Communications			
Original Works—Miscellaneous		5,36,687	5,36,687
Repairs	—78,292	11,947	—66,355
Buildings	17,21,426	72,92,402	90,13,918
Communications	8,44,830	29,76,698	29,21,528
Miscellaneous	17,006	5,82,297	6,10,303
Establishment	10,19,203	30,95,513	41,57,716
Tools and Plant	93,375	2,79,261	3,74,036
Grants in aid		15,22,570	15,22,570
Suspense	1,81,059	—1,97,27,229	—1,95,15,540
Block grant for transfer to Central Road Fund		60,00,000	60,00,000
Deduct—Amount met from Central Road Fund	—55,636	—5,17,655	—5,73,291
Deduct—Amount met from subventions from Central Road Fund		—2,44,716	—2,44,716
Deduct—Amount recovered from the Crown Representative's Department for works pertaining to that Department		—6,000	—6,000
Charges in England	17,534	55,459	1,03,523
Loss or gain by exchange	87	95	182
Total	54,73,11	83,66,816	1,38,30,957

No. 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Actuals for 1945-46.

Heads (1)	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
J.—Miscellaneous			
55.—Superannuation Allowances and Pensions			
Superannuation and Retired Allowances	49,06,679	77,17,561	1,26,24,240
Equated payments of Commuted value of pensions transferred from Capital (outside the Revenue Account)	11,01,566	30,79,896	41,81,462
Compassionate Allowances	1,01,657	2,01,194	3,02,851
Gratuities	9,909	73,522	83,431
Contributions for pensions and gratuities	46,531		46,531
Charitable Allowances	2,595		2,595
Pensions for distinguished and meritorious services or for political considerations	2,73,539	5,954	2,79,493
Pensions, etc., under the War Risks Compensation Scheme		23,003	23,003
Special pension connected with War, 1914		12,402	12,402
Pensions to the dependants of deceased lascars (ex-German Ships) interned during the War in Germany		520	520
Donations to Service Funds	407		407
Donations to Provident Funds	35,311	4,16,306	4,51,617
Pensions of the Military Fund	538		538
Pensions of the Military Orphan Fund	12,312		12,312
Pensions of the Medical Retiring Fund	1,587		1,587
Pensions under the Indian Civil Service (Non-European Members) Family Pension Rules	1,26,337		1,26,337
Government contribution paid under the Indian Civil Service Family Pension Rules	3,762		3,762
Covenanted Civil Service Pensions	39,383		39,383
Pensions of the Bengal Civil Fund	360		360
Pensions of the Madras Civil Fund	15,999		15,999
Pensions of the Bombay Civil Fund	196		196
Pensions under the Superior Service (India) Family Pensions (un-transferred) Rules	98,263		98,263
Bonus to temporary clerical personnel under the scheme of unified scale of pay		15,00,000	15,00,000
Charges in England	2,52,78,951	15,16,585	2,67,95,536
Loss or gain by exchange	19,666	2,619	22,285
<i>Deduct</i> —Actual amount of pensions recovered from other Governments	—1,77,33,382	—37,777	—1,77,71,159
<i>Deduct</i> —Pensionary charges of the Ecclesiastical Department recovered from War and Railway Departments	—2,36,999		—2,36,999
<i>Deduct</i> —Pensionary charges transferred to Commercial Departments	—2,030	—81,779	—83,809
Total	1,41,03,137	1,44,30,006	2,85,33,143

56.—Stationery and Printing—**I.—STATIONERY—**

Stationery offices and stores	63,031	71,84,441	72,47,472
Purchase of stationery stores		5,12,43,033	5,12,43,033
Stationery supplied by other Governments		2,535	2,535
Discount on plain paper used with stamps	186	250	436
<i>Deduct</i> —Value of stationery supplied to other Governments and paying Departments		—2,18,77,388	—2,18,77,388

II.—PRINTING

Government presses	28,706	52,35,150	52,63,856
Printing at private presses		24,01,152	24,01,152
Cost of printing work done by other Governments		2,68,196	2,68,196

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Heads.	Actuals for 1945-46		
	Non-voted (2) Rs	Voted. (3) Rs	Total (4) Rs
J.—Miscellaneous—<i>concl.</i>			
56.—Stationery and Printing—<i>concl.</i>			
Deduct—Cost of printing work done for other Governments and paying Departments		—1,79,32,930	—1,79,32,930
Charges in England		4,43,394	4,43,394
Loss or gain by exchange		771	771
	Total	91,923	2,69,68,604
			2,70,60,527
57.—Miscellaneous			
Cost of books and periodicals		65,516	65,516
Donations for charitable purposes	90,411	55,471	1,45,882
Special Commissions of Enquiry	53,311	3,23,633	3,76,944
Pilgrimage beyond India ..		1,38,446	1,38,446
Petty establishments		45,875	45,875
Irrecoverable temporary loans and advances written off	21,934	322	22,256
Expenses incidental to the running of Food Supply Scheme	21,016	21,42,131	21,63,147
Expenditure on evacuees from war zones and dependants of persons detained there	7,134	2,88,59,504	2,88,66,638
Losses on supply of foodstuffs to Government servants and others at concessional prices		16,72,751	16,72,751
Rents, rates and taxes		7,17,171	7,17,171
Contributions	1,490	6,90,319	6,91,809
Miscellaneous compensations	3,29,131	816	3,29,947
Miscellaneous Durbar charges	51,000		51,000
Payments arising out of the Military Lands Scheme, Bombay		26,248	26,248
Loss by exchange on local transactions	18,695	2,940	21,635
Miscellaneous and unforeseen charges	19,061	36,58,496	36,77,557
Transfer to the Fund for India's contribution to the United Nations Relief and Rehabilitation Administration ..		7,86,74,291	7,86,74,291
Charges in England ..	63,086	2,14,759	2,77,845
Loss or gain by exchange	110	376	486
	Total	6,76,379	11,72,89,065
			11,79,65,444
JJ.—Miscellaneous Capital Account within the Revenue Account—			
55-A. Commutation of Pensions financed from Ordinary Revenues—			
Amount transferred from "83—Payments of Commuted Value of Pensions"	3,15,862	7,81,082	10,96,944
K.—Defence Services—			
58.—Defence Services Effective—			
I Charges in India—			
Normal cost of Defence Services	36,76,63,000		36,76,63,000
Lump provision for increase in prices	21,01,85,000		21,01,85,000
War measures chargeable to Indian Revenues	3,03,48,13,169		3,03,48,13,169
II Charges in England and Exchange			
War measures chargeable to Indian Revenues	2,05,943		2,05,943
	Total	3,61,28,67,112	3,61,28,67,112

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads (1)	Actuals for 1945 46		
	Non voted (2) Rs	Voted (3) Rs	Total (1) Rs
K.—Defence Services—<i>concld</i>			
59.— Defence Services—Non-Effective—			
I Charges in India—			
1 Army	6,13,58,430		6,13,58,430
2 Air Forces	1,32,422		1,32,422
3 Royal Indian Navy	3,15,573		3,15,573
II Charges in England—			
1 Army	4,21,04,104		4,21,04,104
2 Air Forces	8,490		8,490
3 Royal Indian Navy	7,63,549		7,63,549
	Total	10,46,82,568	10,46,82,568
L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments—			
61.— Grants-In-aid to Provincial Governments—			
Grants in-aid to the Government of Bengal		8,00,00,000	8,00,00,000
Grants in-aid to the Government of Assam	30,00,000		30,00,000
Grants in aid to the Government of North-West Frontier Province	1,00,00,000		1,00,00,000
Grants in aid to the Government of Orissa	40,00,000		40,00,000
	Total	1,70,00,000	8,00,00,000
			9,70,00,000
62.— Miscellaneous Adjustments between Central and Provincial Governments—			
Contributions to the Provincial Governments on account of Agency functions in respect of Petroleum and Explosives Acts—			
Madras		13,178	13,178
Bombay		6,718	6,718
Bengal		17,175	17,175
United Provinces		13,349	13,349
Punjab		6,712	6,712
Bihar		12,700	12,700
Central Provinces and Berar		3,141	3,141
Assam		1,011	1,011
North-West Frontier Province		699	699
Orissa		833	833
Sind		775	775
Contribution to the Government of Bengal towards pay and allowances and leave and pensionary charges of the officers deputed to Bengal from Army and from other Provinces		3,20,000	3,20,000
	Total	3,96,291	3,96,291
M.—Extraordinary Items—			
63.— Extraordinary Charges—			
Expenditure in connection with the Earthquakes of 1934 and 1935	66,332	..	66,332
Administration of Drug Control order	4,387		4,387
Charges in England	—283		—283
	Total	70,436	70,436
63-A— Expenditure connected with Post War—Planning and Development—			
Secretariat	99,532	3,33,722	4,33,254
Miscellaneous Planning Organizations	59,916	26,26,906	26,86,822
Miscellaneous expenditure on Planning	23,281	36,201	59,482

No 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS *contd.*

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
M—Extraordinary Items—<i>contd</i>			
63-A.—Expenditure connected with Post-War Planning and Development—<i>concld</i>			
Grants to Provinces, Indian States, etc		1,61,337	1,61,337
Post-war reconstruction staff		71,367	71,367
Miscellaneous	4,737	8,90,092	8,94,829
Charges in England—			
High Commissioner—			
Leave salary and deputation pay	242		242
Other charges	53,720	4,54,481	5,08,201
Loss or gain by exchange	93	799	892
Total	2,41,521	45,74,905	48,16,426
64—Expenditure connected with the War, 1939—			
Department of Supply	4,44,31,839		4,44,31,839
Controller of Enemy Firms and Enemy Trading and Custodian of Enemy Property	2,49,621		2,49,621
2,964			2,964
Tea Controller for India	1,15,75,210		1,15,75,210
Press Officers	59,80,824		59,80,824
Expenditure in connection with Interned Enemy Subjects	1,14,54,276	..	1,14,54,276
Payments to the War Risks (Goods) Insurance Fund	2,13,985		2,13,985
War Risks (Goods) Insurance Scheme	5,95,772	..	5,95,772
Remuneration and expenses of agents employed for purposes of War Risks (Goods) Insurance Scheme	52,427	..	52,427
Payments of liabilities under the War Risks (Goods) Insurance Scheme	—8,62,184	..	—8,62,184
<i>Deduct</i> —Amount met from the War Risks (Goods) Insurance Fund	3,37,792	..	3,37,792
Payments to Provinces for War expenditure incurred by them	15,15,209	..	15,15,209
Pensions, etc, paid to the widows and dependants of Lascars employed in ships registered in the United Kingdom	1,33,004	..	1,33,004
Pensions, etc, paid to the widows and dependants of lascars employed in ships registered outside the United Kingdom	79,01,400		79,01,400
Scheme for the training of Skilled Artisans	50,31,733		50,31,733
Textile Commissioners	28,18,578		28,18,578
Miscellaneous	12,50,951		12,50,951
Expenditure connected with National Service Labour Tribunals	12,34,853		12,34,853
Motor Spirit and Tyre Rationing Scheme	7,35,282	..	7,35,282
Lease/Lend Accounts Officers	2,63,486		2,63,486
Expenditure on Pipeline Scheme	98,287		98,287
Controller of Coal Accounts	1,96,50,473		1,96,50,473
Assam Relief Measures	52,206		52,206
Losses due to Enemy action	1,48,80,652		1,48,80,652
Grants to Provinces and Indian States in furtherance of the Food Production Campaign	1,03,95,160		1,03,95,160
Payments to the War Risks (Factories) Insurance Fund	2,19,271		2,19,271
War Risks (Factories) Insurance Scheme	4,17,668		4,17,668
Remuneration and expenses of agents employed for purposes of War Risks (Factories) Insurance Scheme	80,541		80,541
Payments of liabilities under the War Risks (Factories) Insurance Scheme	—7,17,480	..	—7,17,480
<i>Deduct</i> —Amount met from the War Risks (Factories) Insurance Fund			

No 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Actuals for 1915-16

Heads	Non-voted (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
Capital Accounts outside the Revenue Account—			
AA—Principal Heads of Revenue—			
Capital Account outside the Revenue Account—			
66—Capital Outlay on the Security Printing Press—			
Building	1,11,009	1,14,009	
Plant and machinery	2,35,048	2,36,048	
Min. equipments	1,571	1,571	
Miscellaneous	1,420	1,420	
<i>Product—Depreciation</i>	—56,575	—56,575	
<i>Deduct—Expenditure incurred from ordinary revenue</i>	—2,05,771	—2,05,771	
Total			
BB—Railway Capital Account outside the Revenue Account—			
67-A—Construction of Indian Government Rail- ways— <i>Commercial</i> —			
I. Equipment Expenditure	—79,427	—79,427	
II. Land	809	—10,32,950	—10,32,950
III. Structural Engineering Works		—25,51,043	—25,51,043
IV. Equipment		38,86,184	38,86,184
V. Roller Stock		1,32,75,846	1,32,75,846
VI. General Charges	13,101	—1,65,020	—1,65,020
VII. Colleagues		28,24,034	28,24,034
VIII. Miscellaneous		—7,97,666	—7,97,666
IX. Suspense	2,281	1,71,92,098	1,71,92,098
X. Purchase of Railway Land		3,60,14,819	3,60,14,819
XI. Investment in Road Services		9,02,150	9,02,150
<i>Deduct—Receipts on Capital Account</i>		—32,505	—32,505
Total	16,185	9,82,77,861	9,82,77,861
67-B.—Construction of Indian Government Rail- ways—<i>Strategic</i>—			
II. Land		14,212	14,212
III. Structural Engineering Works		94,980	94,980
IV. Equipment		—38,586	—38,586
V. Roller Stock		87,021	87,021
VI. General Charges		869	869
VII. Suspense		4,576	6,370
Total	11,375	1,64,875	1,64,875
67-C.—Capital Contributed by Railway Companies towards Outlay on Indian Government Railways Discharge of Debenture			
	6,678		6,678
CC—Capital Account of Irrigation, Navigation, Em- bankment and Drainage Works outside the Re- venue Account—			
68—Construction of Irrigation, Navigation, Em- bankment and Drainage Works—			
A— <i>Irrigation Works</i> —			
(1) Productive—			
Works	10,062		10,062
I. Establishment	9,145		9,145
Tools and Plant	176		176
<i>Deduct—Receipts and Recovery on Capital Account</i>	—1249		—1,219
(2) Unproductive—			
Works	4,118	2,03,622	2,08,070
Establishment	18		48
<i>Deduct—Amount financed from Ordinary Revenue</i>	—52,630	—2,03,622	—2,56,252
Total			

No. 5 DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—
contd.

Heads.	Actuals for 1945-46.		
	Non voted (2) Rs	Voted. (3) Rs	Total (4) Rs
KK.—Defence Services			
86.—Defence Capital Expenditure			
Air Forces Air Fields	24,44,31,432		24,44,31,432
Capital outlay on Industrial Expansion	2,03,02,807		2,03,02,807
Reciprocal Aid—Air Fields	7,02,64,696		7,02,64,696
New Construction for the Royal Indian Navy	39,20,754		39,20,754
Capital outlay on Tele-Communication Scheme	1,19,92,327		1,19,92,327
	Total	35,09,12,016	35,09,12,016
MM.—Extraordinary Items—			
87. Capital Outlay on Schemes connected with the War, 1939			
Scheme for the purchase of food grains—			
Purchases of the Food Department—			
Purchases in India	63,16,03,014		63,16,03,014
Purchases in England	6,96,96,059		6,96,96,059
<i>Deduct</i> Receipts and recoveries on Capital Account	—62,94,27,064		—62,94,27,064
	Net Expenditure	7,18,72,009	7,18,72,009
Scheme for reserve stock of coal—			
Reserve stock of coal at collieries	21,81,260		21,81,260
<i>Deduct</i> —Receipt and recoveries on Capital Account	—9,44,632		—9,44,632
	Net Expenditure	12,36,628	12,36,628
Scheme for the production and supply of coal—			
Purchases in India	85,48,433		85,48,433
Purchases in England	56,58,443		56,58,443
<i>Deduct</i> Receipts and recoveries on Capital Account	—22,53,898		—22,53,898
	Net Expenditure	1,19,52,978	1,19,52,978
Scheme for the purchase and construction of Lighters			
Construction of Lighters	1,25,370		1,25,370
<i>Deduct</i> Receipts and recoveries on Capital Account	—13,50,000		—13,50,000
<i>Deduct</i> Share of the cost debited to His Majesty's Government	+11,40,632		+11,40,632
Profit or Loss on the operation of lighters	—1,28,456		—1,28,456
	Net Expenditure	—2,12,454	—2,12,454
Acquisition of frustrated cargoes			
Purchases in India	20,61,909		20,61,909
<i>Deduct</i> Receipts and recoveries on Capital Account	—66,44,747		66,44,747
	Net Expenditure	—15,82,838	—15,82,838
Purchase of Rubber—			
Purchases in India	4,07,01,844		4,07,01,844
Purchases in England	40,414		40,414
<i>Deduct</i> Receipts and recoveries on Capital Account	—5,19,41,631		—5,19,41,631
	Net Expenditure	—1,11,99,373	—1,11,99,373
Purchase of machinery for Mica miners			
Purchases in India	4,58,869		4,58,869
Purchases in England	1,791		1,791
<i>Deduct</i> Receipts and recoveries on Capital Account	4,39,846		4,39,846
	Net Expenditure	20,814	20,814

No. 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS
contd

Heads (1)	Actuals for 1945-46		
	Non-voted. (2) Rs	Voted (3) Rs	Total (4) Rs
**M—Extraordinary Items—contd			
87 Capital Outlay on Schemes connected with the War, 1939 <i>contd</i>			
Purchase of reserve stores by the Supply Department—			
Purchases in India	8,66,57,635		8,66,57,635
Purchases in England	3,38,18,920		3,38,18,920
Deduct Receipts and recoveries on Capital Account	—8,86,29,099		8,86,29,099
Net Expenditure	3,18,42,456		3,18,42,456
Prospecting for oil	9,87,666		9,87,666
Purchase of Machine Tools—			
Purchases in India	1,16,96,684		1,16,96,684
Purchases in England	1,76,61,155		1,76,61,155
Deduct Receipts and recoveries on Capital Account	2,39,72,927		—2,39,72,927
Net Expenditure	53,84,912		53,84,912
Purchase of foodstuffs by Local Administrations	—4,27,793		4,27,793
Cinchona cultivation	19,43,669		19,43,669
Scheme for chartering and running of steamers for coastal trade	4,35,401		4,35,401
Deduct Receipts and recoveries on Capital Account	—9,14,725		—9,14,725
Net Expenditure	4,79,324		4,79,324
Scheme for purchase of Standard Cloth—			
Standard cloth	12,43,17,704		12,43,17,704
Imported cloth	42,83,317		42,83,317
Deduct Receipts and recoveries on Capital Account	—13,10,46,683		—13,10,46,683
Net Expenditure	—24,45,662		—24,45,662
Purchase of Woollen Goods	2,92,39,353		2,92,39,353
Deduct Receipts and recoveries on Capital Account	4,14,59,930		4,14,59,930
Net Expenditure	—1,22,20,577		—1,22,20,577
Scheme for purchase of Wattle Bark—			
Purchases in India	1,40,024		1,40,024
Deduct Receipts and recoveries on Capital Account	8,66,668		8,66,668
Net Expenditure	—7,16,644		—7,16,644

No. 5. DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—
contd.

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
NM—Extraordinary Items—<i>contd.</i>			
87—Capital Outlay on Schemes connected with the War, 1939— <i>contd.</i>			
Scheme for the supply of Essential Commodities—			
Cost of commodities	37,64,443		37,64,443
Advances	50,387		50,387
Suspense	—6,45,141		—6,45,141
<i>Deduct</i> —Receipts and recoveries on Capital Account—			
Repayment of Advances	—29,44,022		—29,44,022
<i>Deduct</i> —Amount met from Revenue	—12,48,022		—12,48,022
Net Expenditure	—10,22,355		—10,22,355
Scheme for the purchase of Aluminium—			
Other charges—			
Purchases in England	17,38,386		17,38,386
Total Expenditure	17,38,386		17,38,386
Scheme for the purchase of Electrical Generating Plant—			
Purchases in India	6,56,910		6,56,910
Purchases in England	18,45,434		18,45,434
<i>Deduct</i> Receipts and recoveries on Capital Account	—22,41,129		—22,41,129
Net Expenditure	2,61,215		2,61,215
Medical Stores Depots and Factories—			
Stores Depots	96,30,823		96,30,823
Factories	8,25,590		8,25,590
Total Expenditure	1,04,56,413		1,04,56,413
Civil Transport	5,37,89,001		5,37,89,001
<i>Deduct</i> —Receipts and recoveries on Capital Account	—7,04,76,582		—7,04,76,582
Net Expenditure	—1,66,87,581		—1,66,87,581
Cost of Consumers' Goods imported on Government Account—			
Purchases in India	85,05,053		85,05,053
Purchases in England	29,086		29,086
<i>Deduct</i> —Receipts and recoveries on Capital Account	—77,49,299		—77,49,299
Net Expenditure	7,84,840		7,84,840

No. 5—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS
concl'd

Heads (1)	Actuals for 1945-46		
	Non-voted (2) Rs	Voted (3) Rs	Total (4) Rs
MM—Extraordinary Items <i>concl'd</i>			
87—Capital Outlay on Schemes connected with the War, 1939 <i>concl'd</i>			
Purchase of Fertilisers—			
Purchases in India	53,30,047		53,30,047
Purchases in England	1,44,36,573		1,44,36,573
Deduct—Receipts and recoveries on Capital Account	—2,32,25,491		—2,32,25,491
Net Expenditure	—34,58,871		—34,58,871
Purchase of Quinine substitute	60,37,766		60,37,766
Purchase of Colliery Stores—			
Purchases in India	10,27,178		10,27,178
Purchases in England	34,17,185		34,17,185
Deduct—Receipts and recoveries on Capital Account	—37,97,083		—37,97,083
Net Expenditure	6,47,280		6,47,280
Purchase of Paper—			
Purchases in India	96,87,419		96,87,419
Purchases in England	44,69,347		44,69,347
Deduct—Receipts and recoveries on Capital Account	—65,46,565		—65,46,565
Net Expenditure	76,10,201		76,10,201
Air Raid Precaution Equipment purchased centrally	12,35,039		12,35,039
Deduct—Receipts and recoveries on Capital Account	—1,16,52,526		—1,16,52,526
Net Expenditure	—1,04,17,487		—1,04,17,487
Purchase of Agricultural and Dairy machinery	14,85,507		14,85,507
Total—Capital Outlay on Schemes connected with the War, 1939	9,03,91,580		9,03,91,580

No 6—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR

Heads.	Expenditure during 1945-46	Expenditure to end of 1945-46
(I)	(2)	(3)
Rs	Rs	Rs
66—Capital Outlay on the Security Printing Press—	—	—
Land	.	12,954
Buildings	1,14,009	32,43,322
Plant and machinery	2,38,048	12,50,131
Minor equipment	1,871	75,825
Miscellaneous	1,420	62,683
<i>Deduct</i> —Depreciation	—56,575	—17,94,714
Charges in England—		
Stores for India	.	14,617
Loss or gain by exchange	..	26
	Total	2,98,773
		28,64,844
<i>Deduct</i> —Expenditure financed from ordinary revenues	—2,98,773	—21,72,147
Net Capital Outlay on the Security Printing Press		6,92,697

67-A—Construction of Indian Government Railways—**COMMERCIAL—**

Indian Government Railways worked by the Government—

Bengal and Assam	.	82,03,266	84,04,67,947 (a)
Bengal Nagpur	..	—17,25,400	81,41,47,202 (b)
Bombay, Baroda and Central India		43,34,481	76,23,82,374
East Indian		4,91,23,955	1,56,87,99,734 (c)
Great Indian Peninsula		1,79,25,627	1,15,03,95,384
Madras and Southern Mahratta		—16,23,347	53,23,30,750(d)
North Western		1,37,18,949	1,16,20,32,894(e)
Oudh Tirhoot		1,97,76,204	30,54,75,010
South Indian		—1,60,98,749	44,16,66,912
Railway Collieries		15,90,143	4,49,26,523(f)
	Total	9,82,25,129	7,62,26,24,730

(a) Rs +72,902 Includes Rs 72,902 transferred from the East Indian Railway

(b) Rs —629 A sum of Rs 629 representing difference in exchange and discount on debentures has been dropped without financial adjustment

(c) Rs —5,34,091 Excludes Rs 4,89,133 and Rs 72,902 transferred to the Madras and Southern Mahratta, and Bengal and Assam Railway respectively and includes Rs 27,944 transferred from the North Western Railway

(d) Rs +4,99,652 Includes Rs 4,89,133 and Rs 13,016 transferred from the East Indian and the North Western Railways and excludes Rs 2,497 transferred to Railway Collieries

(e) Rs —31,718 Excludes Rs 25,130 and Rs 11,705 transferred to the East Indian and the Madras and Southern Mahratta Railways respectively and includes Rs 5,117 transferred from the Railway Clearing Accounts office

(f) Rs +2,497 Includes Rs. 2,497 transferred from the Madras and Southern Mahratta Railway

No 6—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR

contd

Heads	Expenditure during 1945-46	Expenditure to end of 1945-46
(1)	(2) Rs	(3) Rs
67-A—Construction of Indian Government Railways—concl		
COMMERCIAL—concl		
Indian Government Railways worked by Companies and Indian States—		
Bezwada Extension	50	18,14,655
Jodhpur	1,28,678	1,56,55,218
Dhone Kurnool		27,97,972
Total	1,28,728	2,02,67,845
Miscellaneous—		
Railway Clearing Accounts Office	—29,811	(g)
Total—Commercial	9,83,24,046	7,64,28,92,575
<i>Deduct—Capital Contributed by Railway Companies towards outlay on Indian Government Railways</i>	+6,678	—2,11,44,296 (h)
<i>Deduct—Expenditure debited to Famine Relief and Insurance</i>		—7,82,21,111
<i>Deduct—Expenditure provided from Central and Provincial Revenues</i>		5,85,50,080
Total	+6,678	—15,79,15,487
Net Government outlay	9,83,30,724	7,48,49,77,088 (i)
67-B Construction of Indian Government Railways—		
Strategic—		
North Western	1,64,875	32,56,07,002 (j)
68—Construction of Irrigation, Navigation, Embankment and Drainage Works—		
A.—IRRIGATION WORKS		
(1) Productive		
Nasirabad Section of the Lloyd Barrage Canals systems	48,134	1,09,86,604
<i>Deduct—Outlay financed from ordinary revenues</i>	—48,134	—1,89,551
Net expenditure outside the revenue account		1,07,97,053

(g) Rs —5,117. Excludes Rs 5,117 transferred to North Western Railway

(h) Rs +629 A sum of Rs 629 representing difference in exchange and discount on debenture has been dropped without financial adjustment

(i) Rs +4,125 Includes Rs 2,814 and Rs 1,311 transferred to the East Indian and the Madras and Southern Mahratta Railways respectively from the Strategic—North Western Railway under "67-B".

(j) Rs —4,125 Excludes Rs. 2,814 and Rs. 1,311 transferred to commercial railways *vide* footnote (i) above

NO. 6 STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR
contd

Heads	Expenditure during 1945-46	Expenditure to end of 1945-46.
(1)	(2) Rs	(3) Rs
68—Construction of Irrigation, Navigation, Embankment and Drainage Works—<i>concl.</i>		
A—Irrigation Works—<i>concl.</i>		
(2) Unproductive—		
Baluchistan—		
Pishin Canal	2,826	29,19,381
Nari Weir Canal	2,170	6,71,291
Rajputana—		
Tank Projects		28,44,029
Delhi	1,62,030	3,85,177
Bombay	41,592	88,571
Total	2,08,118	69,08,449
<i>Deduct</i> —Amount financed from ordinary revenues	—2,08,118	—69,08,449
Net expenditure outside the revenue account		
Total—Construction of Irrigation, Navigation, etc		1,07,97,053
69—Capital Outlay on Posts and Telegraphs—		
Post Office	11,032	1,44,96,267
Telegraphs	1,98,68,624	20,75,58,322
Telephone	18,68,608	10,42,77,628
Radio	—30,032	38,60,532
Total	2,17,18,232	33,01,92,749 (a)
71—Capital Outlay on Schemes of Agricultural Improvement and Research—		
Transfer to Imperial Institute of Agricultural Research from Pusa to Delhi		32,78,019
72—Capital Outlay on Industrial Development—		
Fertilizer factory, Sindri	19,34,833	19,34,833
72 A—Capital Outlay on Civil Aviation		2,29,480 (b)
78—Capital Outlay on Vizagapatam Port—		
Land	—2,339	1,18,64,608
Waterways		1,38,97,964
Docks and berths		32,65,054
Broad gauge railways		11,75,501
Ferries		2,18,440
Manganese facilities		5,44,989
Plant		13,56,913
Floating craft		33,58,101
Buildings		20,02,521
Suspense	13,271	2,08,756
Total	10,932	3,78,92,847

(a) The capital expenditure upto 1944-45 has been increased by an amount of Rs 3,08,061 removed from the Block Capital account without any financial adjustment on account of the following —

Add—

(i) Net result of rectification of misclassification of previous years affecting Capital and Revenue Accounts	5,061
(ii) Inclusion of certain assets of the late Indo-European Telegraph Department	3,03,000
Total	3,08,061

(b) The capital expenditure upto 1944-45 has been increased by an amount of Rs 2,29,480 without any financial adjustment as a result of rectification of misclassification of previous year affecting Capital and Revenue Account

NO. 6 STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR--*contd.*

Heads	Expenditure during 1945-46	Expenditure to end of 1945-46
(1)	(2) Rs	(3) Rs
77—Currency Capital Account—		
Payments to the Reserve Bank of India under Section 46 of the Reserve Bank of India Act	..	5,18,99,269
Miscellaneous—Contribution to the International Monetary Fund and International Bank	2,65,471	2,65,471
Currency Note Printing Press	16,47,305	
	Total	2,65,471
		5,38,12,045
78—Initial Expenditure on New Capital at Delhi—		
Works	1,91,16,540	18,89,81,327
Deduct—Receipts from the War Department	—59,18,337	—1,34,91,316
Establishments	9,29,711	2,50,69,402
Tools and Plant	1,31,964	1,01,50,422
Stock and Suspense		12,24,195
Miscellaneous		71,48,118
	Total	1,42,53,878
		21,90,62,148
Deduct—Receipts and recoveries on capital account—		
Receipts from the War Department		—28,70,880
Other receipts		—2,00,49,521
	Total	—2,29,20,401
	Net	1,42,53,878
		19,61,41,747
83—Payments of Commuted value of pensions		—36,52,712
		3,39,13,513
84—Capital Outlay on Bombay Land Scheme	..	2,31,11,835
85—Payments to Retrenched Personnel	..	2,78,000
86—Defence Capital Expenditure		
Air Forces—Air Fields	..	24,44,31,432
Capital outlay on Industrial Expansion	..	2,03,02,807
Reciprocal Aid—Air Fields	..	7,02,64,696
New construction for the Royal Indian Navy	..	39,20,754
Capital outlay on Telecommunication Scheme	..	1,19,92,327
India's share of the capital outlay involved in carrying on the Chatfield Modernisation Plan	..	..
Expenditure in England—Secretary of State		11,44,33,000
Lump sum payment to His Majesty's Government under the Non-effective agreement	..	20,00,00,000
Loss or gain by exchange	..	3,47,826
	Total	35,09,12,016
		1,87,88,25,877
87.—Capital Outlay on Schemes connected with the War, 1939—		
Scheme for the purchase of foodgrains—		
Purchases of the Food Department—		
Purchases in India	..	63,16,03,014 } 2,41,48,21,982
Purchases in England	..	6,96,96,059 }
Deduct—Receipts and recoveries on capital account	..	—62,94,27,064 —2,29,37,24,678
	Net expenditure	7,18,72,009
		12,10,97,304
Scheme for reserve stock of coal		
Reserve stock of coal at Collieries	..	21,81,260
Deduct—Receipts and recoveries on capital account	..	—9,44,632
	Net expenditure	..
		12,36,628
		16,36,535

No. 6. STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR
contd

Heads.	Expenditure during 1945-46	Expenditure to end of 1945-46.
(1)	(2) Rs	(3) Rs.
87.—Capital outlay on schemes connected with the war, 1929—<i>contd</i>		
Scheme for the production and supply of coal—		
Purchases in India	85,18,433	2,47,25,558
Purchases in England	56,58,443	
<i>Deduct</i> —Receipts and recoveries on capital account	—22,53,898	—24,15,222
Net expenditure	1,19,52,978	2,23,10,336
Scheme for the purchase and construction of lighters		
Construction of lighters	1,25,370	97,87,494
Purchase of lighters		3,47,880
<i>Deduct</i> —Receipts and recoveries on capital account	—13,50,000	—13,50,000
<i>Deduct</i> —Share of the cost debited to His Majesty's Government	+11,40,632	—7,69,916
Profit or loss on the operation of lighters	—1,28,456	—1,28,456
Net expenditure	—2,12,454	29,47,002
Acquisition of frustrated cargoes—		
Purchases in India	20,61,909	
Purchases in England		2,66,62,563
<i>Deduct</i> —Receipts and recoveries on capital account	—66,44,747	—2,59,01,926
Net Expenditure	—45,82,838	7,60,637
Purchase of rubber—		
Purchases in India	4,07,01,844	
Purchases in England	40,414	11,73,10,346
<i>Deduct</i> —Receipts and recoveries on capital account	—5,19,41,631	—11,05,31,579
Net Expenditure	—1,11,99,373	67,87,767
Purchase of machinery for mica miners—		
Purchases in India	4,58,869	
Purchases in England	1,791	21,77,365
<i>Deduct</i> —Receipts and recoveries on capital account	—4,39,846	—18,19,476
Net expenditure	20,814	3,57,889
Purchase of reserve stores by the Supply Department—		
Purchases in India	8,66,57,635	
Purchases in England	3,38,13,920	30,09,86,477
<i>Deduct</i> —Receipts and recoveries on capital account	—8,86,29,099	—22,24,97,150
Net expenditure	3,18,42,456	7,84,89,327
Prospecting for oil	9,87,565	43,29,633
Purchase of machine tools—		
Purchases in India	1,16,96,684	
Purchases in England	1,76,61,155	5,73,86,754
<i>Deduct</i> —Receipts and recoveries on capital account	—2,39,72,927	—6,26,56,668
Net expenditure	53,84,912	—52,69,914
Purchase of foodstuffs by local Administrations	1,27,793	80,10,537
Cinchona cultivation	19,43,569	53,35,145
Scheme for chartering and running of steamers for coastal trade	4,35,401	9,95,555
<i>Deduct</i> —Receipts and recoveries on capital account	—9,14,725	—28,93,274
Net expenditure	—4,79,324	—18,97,719

No 6. STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE
REVENUE ACCOUNT DURING AND TO END OF THE YEAR
contd.

Heads (1)	Expenditure during 1945-46 (2) Rs	Expenditure to end of 1945-46. (3) Rs
87—Capital Outlay on Schemes connected with the War, 1939 <i>contd.</i>		
Scheme for purchase of standard cloth—		
Standard cloth ..	12,43,17,704	58,35,04,571
Imported cloth ..	42,83,317	42,83,317
Deduct—Receipts and recoveries on capital account ..	—13,10,46,683	—60,63,44,638
Net expenditure ..	—24,45,662	—1,85,56,750
Purchase of woollen goods ..	2,92,39,353	4,10,08,256
Deduct—Receipts and recoveries on capital account ..	1,14,59,930	—5,35,88,945
Net expenditure ..	—1,22,20,577	—1,25,80,689
Scheme for purchase of Wattle Bark—		
Purchases in India ..	1,40,024	33,09,826
Purchases in England ..	—8,56,668	—19,05,202
Deduct—Receipts and recoveries on capital account ..	—7,16,644	14,04,624
Scheme for supply of essential commodities—		
Cost of commodities ..	37,64,443	99,36,073
Advances ..	50,387	27,60,877
Suspense ..	—6,45,141	—17,39,670
Deduct—Other receipts and recoveries, etc ..	—29,44,022	—67,54,692
Deduct—Amount met from revenue ..	—12,48,022	—34,60,190
Net expenditure ..	—10,22,355	7,42,398
Scheme for purchase of aluminium—		
Other charges ..		
Purchases in India ..	17,38,386	18,02,278
Purchases in England ..	17,38,386	18,02,278
Total expenditure ..	17,38,386	18,02,278
Scheme for the purchase of Electrical Generating Plant—		
Purchases in India ..	6,56,910	69,62,470
Purchases in England ..	18,45,434	
Deduct—Receipts and recoveries on capital account ..	—22,41,129	50,42,739
Net expenditure ..	2,61,215	19,19,731
Medical Stores Depots and Factories—		
Stores Depots ..	96,30,823	3,46,67,259
Factories ..	8,25,590	17,92,653
Total expenditure ..	1,04,56,413	3,64,59,912
Civil Transport ..	5,37,89,001	15,08,72,246
Deduct—Receipts and recoveries on capital account ..	—7,04,76,582	—19,47,19,815
Net expenditure ..	—1,66,87,581	4,38,47,569

No. 6: STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE
REVENUE ACCOUNT DURING AND TO END OF THE YEAR
concl'd

Heads.	Expenditure during 1945-46 Rs	Expenditure to end of 1945-46 Rs
(1)	(2)	(3)
87.—Capital Outlay on Schemes Connected with the War, 1939— <i>concl'd</i>		
Cost of Consumers' goods imported on Government Account—		
Purchases in India	85,05,053	1,42,39,811
Purchases in England	29,086	29,086
<i>Deduct</i> —Receipts and recoveries on capital account	—77,49,299	—1,12,94,593
Net expenditure	7,81,840	28,74,304
Purchase of fertilisers—		
Purchases in India	53,30,047	1,71,73,848
Purchases in England	1,44,36,573	1,44,36,573
<i>Deduct</i> —Receipts and recoveries on capital account	—2,32,25,491	—3,91,63,364
Net expenditure	—34,58,871	—71,92,943
Purchase of quinine substitute	60,37,766	97,02,021
Purchase of colliery stores—		
Purchases in India	10,24,178	10,29,818
Purchases in England	34,17,185	34,26,854
<i>Deduct</i> —Receipts and recoveries on capital account	—37,07,083	—40,86,054
Net expenditure	6,47,280	3,70,618
Purchase of paper—		
Purchases in India	96,87,419	96,87,419
Purchases in England	44,69,347	44,69,347
<i>Deduct</i> —Receipts and recoveries on capital account	—65,46,565	—65,46,565
Net expenditure	76,10,201	76,10,201
Air Raid Precaution equipment purchased centrally	12,35,039	1,36,46,201(a)
<i>Deduct</i> —Receipts and recoveries on capital account	—1,16,52,526	—1,16,52,526
Net expenditure	—1,04,17,487	19,93,765(a)
Purchases of Agricultural and Dairy machinery	14,85,507	14,85,507
Total Capital Outlay on Schemes connected with the War, 1939	9,03,91,580	22,87,81,887(a)
GRAND TOTAL	57,46,07,838	10,61,04,66,631(b)

(a) Includes Rs 1,24,11,252 on account of expenditure on "A R P equipment" transferred from "Suspense" without financial adjustment

(b) The net decrease of Rs 12,38,22,448 is composed of an increase of Rs 1,29,48,743 in the progressive capital expenditure to end of 1945-46 made without financial adjustment, due to the increase of Rs 3,08,061 under Posts and Telegraphs (vide footnote (a) below "89"), Rs. 2,29,430 under Civil Aviation (vide footnote (b) below "72-A") and Rs 1,24,11,252 under schemes connected with the War (vide footnote (a) below "87") and a decrease of Rs 13,67,71,191 under "67-A" on account of corrections since made

B. DEBT, DEPOSITS AND REMITTANCE ACCOUNTS.

I. Report.

INTRODUCTORY.

1. Disbursements under debt, deposits and remittance heads, although involving temporary appropriations of Government funds, are not ordinarily regarded as expenditure within the meaning of Section 67-A(5) of the Government of India Act, as set out in the 9th Schedule of the Government of India Act, 1935, and except in a few specified cases, are not required to be submitted to the Legislature in the form of Demands for Grants. It is, however, essential to maintain a complete and progressive record of the debt, deposits, advances, suspense and remittance transactions, as they cannot be ignored when considering the financial position of Government. The management of various receipts and disbursements under these heads constitutes a vital part of the machinery of financial administration. This part of the report contains a record of these transactions and its object is, in the first place, to give a complete enumeration of balances under debt, deposits and remittance heads and in the second place, to review the current state of the accounts under each head.

2. An elaborate account of the origin and nature of certain transactions was given in the report for the year 1937-38. The explanatory matter in this report has, in most cases, been restricted to an explanation of the head of account itself.

3. Except where stated otherwise the balances in this part of the report under each head have been duly verified and found to agree with those shown in the separate registers or other records maintained in the Accounts Offices for the purpose in accordance with the prescribed rules and have also been accepted as correct by responsible officers concerned where necessary, the terms and conditions of loans, etc. have been fulfilled and repayments made regularly, the debits and credits during the year to the various reserve funds and deposit accounts of grants, etc., were for amounts authorised by the relevant Acts or Rules of the funds or accounts and there were no diversions for purposes other than those for which the funds were constituted or the grants were made.

**NO. 6. STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE
REVENUE ACCOUNT DURING AND TO END OF THE YEAR
*concl'd***

Heads.	Expenditure during 1945-46 (2) Rs.	Expenditure to end of 1945-46 (3) Rs.
(1)		
87—Capital Outlay on Schemes Connected with the War, 1939— <i>concl'd</i>		
Cost of Consumers' goods imported on Government Account—		
Purchases in India	85,05,053	1,42,30,811
Purchases in England	20,086	29,086
<i>Deduct</i> —Receipts and recoveries on capital account	—77,49,299	—1,18,94,598
Net expenditure	—7,84,840	28,74,304
Purchase of fertilisers—		
Purchases in India	53,30,047	1,71,73,848
Purchases in England	1,44,36,573	1,44,36,573
<i>Deduct</i> —Receipts and recoveries on capital account	—2,32,25,491	—3,91,03,364
Net expenditure	—34,58,871	—74,92,943
Purchase of quinine substitute	60,37,706	97,02,021
Purchase of colliery stores—		
Purchases in India	10,27,178	10,29,818
Purchases in England	34,17,185	34,26,854
<i>Deduct</i> —Receipts and recoveries on capital account	—37,97,083	—40,86,054
Net expenditure	6,47,280	3,70,618
Purchase of paper—		
Purchases in India	96,87,419	96,87,419
Purchases in England	44,69,347	44,69,347
<i>Deduct</i> —Receipts and recoveries on capital account	—65,46,565	—65,46,565
Net expenditure	76,10,201	76,10,201
Air Raid Precaution equipment purchased centrally	12,85,039	1,36,46,291(a)
<i>Deduct</i> —Receipts and recoveries on capital account	—1,16,52,526	—1,16,52,526
Net expenditure	—1,04,17,487	19,93,765(a)
Purchases of Agricultural and Dairy machinery	14,85,507	14,85,507
Total Capital Outlay on Schemes connected with the War, 1939	9,03,91,580	22,87,81,887(a)
GRAND TOTAL	57,46,07,838	10,61,04,66,631(b)

(a) Includes Rs 1,24,11,252 on account of expenditure on "A.R P equipment" transferred from "Suspense" without financial adjustment

(b) The net decrease of Rs. 12,38,22,448 is composed of an increase of Rs 1,29,48,743 in the progressive capital expenditure to end of 1945-46 made without financial adjustment, due to the increase of Rs 3,08,061 under Posts and Telegraphs (vide footnote (a) below "69"), Rs 2,29,430 under Civil Aviation (vide footnote (b) below "72-A") and Rs 1,24,11,252 under schemes connected with the War (vide footnote (a) below "87") and a decrease of Rs. 13,67,71,191 under "67-A" on account of corrections since made

B. DEBT, DEPOSITS AND REMITTANCE ACCOUNTS.

I. Report.

INTRODUCTORY.

1. Disbursements under debt, deposits and remittance heads, although involving temporary appropriations of Government funds, are not ordinarily regarded as expenditure within the meaning of Section 67-A(5) of the Government of India Act, as set out in the 9th Schedule of the Government of India Act, 1935, and except in a few specified cases, are not required to be submitted to the Legislature in the form of Demands for Grants. It is, however, essential to maintain a complete and progressive record of the debt, deposits, advances, suspense and remittance transactions, as they cannot be ignored when considering the financial position of Government. The management of various receipts and disbursements under these heads constitutes a vital part of the machinery of financial administration. This part of the report contains a record of these transactions and its object is, in the first place, to give a complete enumeration of balances under debt, deposits and remittance heads and in the second place, to review the current state of the accounts under each head.

2. An elaborate account of the origin and nature of certain transactions was given in the report for the year 1937-38. The explanatory matter in this report has, in most cases, been restricted to an explanation of the head of account itself.

3. Except where stated otherwise the balances in this part of the report under each head have been duly verified and found to agree with those shown in the separate registers or other records maintained in the Accounts Offices for the purpose in accordance with the prescribed rules and have also been accepted as correct by responsible officers concerned where necessary, the terms and conditions of loans, etc., have been fulfilled and repayments made regularly, the debits and credits during the year to the various reserve funds and deposit accounts of grants, etc., were for amounts authorised by the relevant Acts or Rules of the funds or accounts and there were no diversions for purposes other than those for which the funds were constituted or the grants were made.

4. The following is the general statement of balances in India and England of the Central Government on the 31st March, 1946

I. BALANCES IN INDIA.

Debit Balances	Section of the General Account	Name of Account	Page	Credit Balances.
(1) Rs.	(2)	(3)	(4)	(5) Rs.
16,94,85,63,613	A to M, part of Section P and Sections S (II) and T	Government	95	
	N	Public Debt	98	15,82,26,05,535
	O	Unfunded Debt	103	3,32,61,44,085
	P	Deposits and Advances—		
		(i) Deposits bearing interest—		
83,38,397		Gross balance	114	3,07,51,33,993
		Investments	114	
16,183		(ii) Deposits not bearing interest—		
55,04,32,937		Gross balance	114	2,15,60,48,180
		Investments	114	
35,51,17,925		(iii) Advances not bearing interest	151	
..		(iv) Suspense—		
		Investments	169	
		Other items (net)	169	1,67,30,77,925
		(v) Miscellaneous	184	7,177
	Q	Loans and advances by the Central Government—		
52,13,20,270		(i) Advances to Provincial Governments	185	
8,90,00,180		(ii) Other loans	185	
30,17,66,473	S(I)	Remittances within India (net)	194	
9,55,515	S(II)	Remittances between England and India—		
5,27,74,00,975	V	Items adjustable in India (net)	194	
26,05,30,16,899		Cash Balance (Closing)	205	
		Total		26,05,30,16,899

II. BALANCES IN ENGLAND

Total	Debit Balances			Credit Balances				Total
	High Commissioner	Secretary of State	Section of the General Account	Name of Account	Page	Secretary of State	High Commissioner	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
405,766		405,766	A to M and S(II)	Government	96	822,119		822,119
			N	Public Debt	98	45,058,704		45,058,704
			O	Unfunded Debt	103	2,646,795		2,646,795
			P	Deposits and Advances—				
				(i) Deposits not bearing interest—				
7,499,912	7,371	7,499,912		Gross balance	114	7,500,000		7,500,000
		3,003		Investments	114			
21,144,178	4,085,552	21,144,178		(ii) Advances not bearing interest	151			
	1,049,616	3,035,906		(iii) Suspense—				
				Investments	169			
				Other items	169			
			S(II)	(iv) Miscellaneous	184	967,267	118,049	1,085,316
22,628,826	14,874	22,613,952		Remittances between England and India—				
1,470,040		1,470,040		Items adjustable in England	194			
57,241,054	1,068,888	56,172,766	V	Cash Balance (Closing)	205			
				Total		56,172,766	1,068,888	57,241,654

5. It may be mentioned here that the balances of accounts shown in these statements are, not, and cannot be, regarded as a complete record of the state of affairs of the Central Government, as it is not possible to take into account all the various assets of Government such as lands, buildings, communications, etc., for which no statistics are available and the value of which it is difficult to estimate. These statements, therefore, show the balances of those accounts only, for which separate running accounts are kept within the Government books.

The above balances are reviewed in detail in the following paragraphs

**SECTION A TO M, PART OF SECTION P, AND SECTIONS S (II) AND T
GOVERNMENT ACCOUNT.**

India	..	..	..	Dr.	Rs.	18,94,86,68,613
England	..	..	Secretary of State	..	Dr.	£ 405,766

High Commissioner

Cr.

£ 822,119

6 *Government Account* This is the general closing head in the ledger. Under the system of book-keeping followed in the Indian Government Accounts all balances which are not carried forward from year to year are closed to this head. It is also used as an adjusting head for the purpose of counterbalancing entries which have been included elsewhere in the accounts. The balance under this head, therefore, represents the cumulative results of revenue, capital and other transactions in respect of which no separate progressive balanced accounts are kept. A general outline of the balance in India on the 31st March, 1946 is given in the following table.

Dr.	INDIA.	Cr.
Rs		Rs
(a) 17,37,68,43,366	A — Opening Balance	
5,31,61,73,749	B — Revenue Receipt for 1945-46	4,08,18,94,331
57,46,07,838	C — Expenditure on Revenue Account for 1945-46	
2,65,42,88,640	D — Capital Expenditure outside the Revenue Account for 1945-46	
25,92,19,13,593	E — Appropriation for Reduction or Avoidance of Debt — Other Appropriations for 1945-46	2,04,96,000
	F — Net Remittances between England and India for 1945-46	
	G — Transfer of cash between England and India	2,68,49,48,007
	H — Miscellaneous	18,59,06,642
	I — Closing Balance	18,94,86,68,613
	Grand Total	25,92,19,13,593

7 Item A represents the balance brought forward from the last year. The figures against B, C, D, E, F and G agree with the corresponding figures in Accounts Nos 2, 3, 4, 111 and 112 of the Combined Finance and Revenue Accounts for 1945-46.

The following are the details of the sum of Rs. 18,59,06,642 against "H. Miscellaneous"

(1) Adjustment on account of the difference between the principal amount of the stock and the commuted value of interest on Amanati Stock Certificate	Cr	Rs. 295
(2) Adjustment of the proportionate share of the Defence Department in respect of the half-yearly equated instalment paid by the Delhi Joint Water and Sewage Board on account of the Government loan to that body	Dr	17,176
(3) Adjustment on account of transfer of the balance of the Depreciation fund of the 5 per cent Rupee Loan, 1945-55	Cr	18,56,86,092
(4) Adjustment of the deposits made by the private parties for the purchase of stores from the overseas countries and which lapsed to Government	Cr	1,22,630
(5) Amount adjusted under Remittance Account between England and India by the Accountant General, Central Revenues in the Accounts for 1945-46 but not passed on to the Secretary of State or the High Commissioner during the year	..	
(6) Represents difference due to conversion of sterling into rupees and also due to rounding	..	Dr. 46
	Net Total	Cr 18,59,06,642

(a) Increased by Rs 1,24,11,252 on account of expenditure on A R P equipment transferred from "Suspense Account" to "Government Account" under the Capital head "87" without any financial adjustment and decreased by Rs 6,916 being the amount of net credit adjusted under remittance account between England and India during 1945-46 in write-back of adjustments in the accounts of previous years.

8 *Government Account* The balances in England are composed of:

Secretary of State	..	Dr. £	405,768
High Commissioner	..	Cr. £	822,119

The above balances are analysed below.

ENGLAND.

Debits.			Credits.		
High Commissioner (1) £	Secretary of State (2) £	Particulars (3)	Secretary of State. (4) £	High Commissioner. (5) £	
33,374,497	267,214	A — Opening Balance	..	100,438	
	53,888,623	B — Remittance Account between England and India	285,738,590	596,178	
	231,988,519	C — Transfer of Cash between England and India	..	33,500,000	
822,119	286,144,356	D — Closing Balance	405,768	..	
34,196,616		Grand Total	286,144,356	34,196,616	

9 The statement given on the next page is intended to afford a general view of the Combined Balances, in India and England, of the Central Government in units of rupee currency, outstanding sterling debts and other balances in England being combined with the corresponding balances in India at the rate of £1=Rs 13½ and the resultant total expressed in rupees. This method of presentation does not, however, purport to be the correct method of assessing the sterling balances at their real rupee value, but in the absence of any more accurate basis for determining the exact rupee equivalent of these balances the sterling figures have been converted into rupees at the above rate.

BALANCES IN INDIA AND ENGLAND (COMBINED).

Debit Balances (1) Rs	Section of the General - Accounts (2)	Name of Account (3)	Credit Balances (4) Rs.	
	A to M, part of Section P & Sections N	Government Public Debt	16,42,33,88,250	
18,94,31,17,230	S (II) and T O P	Unfunded Debt	..	3,36,14,34,685
		Deposits and Advances—		
		(i) Deposits bearing interest—		
83,38 397		Gross balance	3,07,51,33,993	
		Investments		
10,00,15,004		(ii) Deposits not bearing interest—		
55,05,31,210		Gross balance	2,25,60,48,180	
		Investments		
63,70,39,698		(iii) Advances not bearing interest		
61,03,20,450	Q	(iv) Suspense—		
60,44,39,704	S	Investments		
5,29,52,85,371	V	Other Items (net)	1,61,86,03,894	
26,74,90,87,064		(v) Miscellaneous (net)	1,44,78,062	
		Loans and Advances by the Central Government		
		Remittances (net)		
		Cash Balance (Closing)		
		Grand Total	26,74,90,87,064	

10 Government Account The debit balance is composed of the following items of debits and credits.—

Item No (1)	Particulars (2)	Debit (3) Rs	Item No (4)	Particulars (5)	Credit (6) Rs
1	Net debit balance brought forward (a) 17,37,90,67,023	1,23,42,79,418	1	Appropriation during 1945 46 for Reduction or Avoidance of Debt otherwise than by means of regularly constituted Sinking Funds	2,04,96,000
2	Excess of expenditure of Revenue Account over Ordinary Revenue for 1945 46	57,46,07,838	2	Adjustment on account of the difference between the principal amount of the stock and the commuted value of interest on Amanati Stock certificate	295
3	Capital expenditure outside the Revenue Account for 1945 46	17,176	3	Adjustment on account of transfer of the balance of the Depreciation Fund of the 5 per cent Rupee loan 1945 55	18,56,86,092
4	Adjustment on account of the proportionate share of the Defence Department in respect of the half yearly equated instalment paid by the Delhi Joint Water and Sewage Board on account of the Government loan to that body	20	4	Difference between credit in India and debit in England under the head "Transfer of cash between England and India"	3,84,34,416
5	Represent differences due to conversion of sterling into rupees and fractional differences due to rounding	55	5	Amount of net credit adjusted under "Remittance Account between England and India" by the Accountant General, Central Revenues in the accounts for 1945 46 but not passed on to the Secretary of State or the High Commissioner during the year	1,14,847
			6	Adjustment of the deposits made by the private parties for the purchase of stores from the overseas countries and which lapsed to Government	1,22,630
				Net debit balance	18,94,31,17,230
	Total	19,18,79,71,510	Total	19,18,79,71,510	

(a) Increased by Rs 1,24,11,252 on account of expenditure on A R P equipment transferred from "Suspense Account" to "Government Account" under the Capital head "87" without any financial adjustment and decreased by Rs 6,916 being the amount of net credit adjusted under remittance account between England and India during 1945-46 in write-back of adjustments in the accounts of previous years.

SECTION N. PUBLIC DEBT	INDIA	Cr. Rs.	15,82,26,05,535
	ENGLAND	Cr. £	45,058,704

11. *Public Debt* This term as used in this Report is confined to regular loans raised from the public in India and in England, including certain Railway liabilities and the outstanding portion of India's financial contribution to the Great War, 1914-18. It does not cover other interest-bearing obligations, such as Post Office Savings Bank Deposits and Cash Certificates, and Provident, Depreciation, Reserve and other Funds, which are dealt with in Sections O and P of this Report. A comparative statement, showing the aggregate gross capital liabilities of the Central Government on the 31st March, 1946, and the capital and other disbursements which are treated as set off against these liabilities, is to be found in Account No. 2 of Part V of this Report.

The liabilities reviewed in this Section are divided into two classes, namely "Permanent Debt" and "Floating Debt". The term "Permanent Debt" covers such of the loans borrowed by Government in the open market as are intended to have, at the time when they are raised, a currency of more than twelve months. The term "Floating Debt" is applied to borrowings of a purely temporary nature, such as treasury bills and ways and means advances from the Reserve Bank of India, which are to be repaid within twelve months. The balances under each of these classes, which represent the nominal value of outstanding debt on the 31st March, 1946, are reviewed in the following paragraphs.

The outstanding balance of Public Debt on the 31st March, 1946, amounted, in the aggregate, to a sum of Rs 16,42,33,88,250 as shown below, the sterling debt being converted into rupees at the rate of 1s 6d to the rupee. This method of presentation probably does not show the sterling liabilities at their true rupee value but in the absence of a more suitable basis for determining the exact rupee equivalents of the sterling loans raised in England, based on actual conditions, the sterling figures have been combined with the corresponding rupee figures in India at the conventional rate of 1s. 6d to the rupee and the resultant total expressed in rupees

	Cr Rs
Rupee Debt	15,82,26,05,535
Sterling Debt £ 45,058,704 converted into rupees at £1 = Rs 13 ¹ / ₂	60,07,82,715
Total ..	16,42,33,88,250

Rupee Debt **Cr. Rs. 15,82,26,05,535**

12. The balance under rupee debt is composed of the following parts.—

	Cr Rs	Cr Rs
I. Permanent Debt—		
A—Loans bearing interest	14,89,21,51,838	
B—Loans not bearing interest	2,14,04,725	
C—Interest free loans	7,57,48,972	
II.—Floating Debt	83,33,00,000	14,98,93,05,535 83,33,00,000
Total ..		15,82,26,05,535

I. Permanent Debt .. Cr. Rs. 14,98,93,05,535

13. The balances under this head are borne on the books of the Accountant General, Central Revenues The details are shown in the following statements :

A. Loans bearing interest.

Rate of interest (1)	Description of loan (2)	Amount of each loan (3) Cr. Rs.	Total. (4) Cr. Rs.
4½ per cent	Indore State Railway Loan ..	70,00,000	
4½ per cent	Loan 1950-55	6,73,88,200	
4½ per cent	Loan, 1955-60	9,05,63,700	
4½ per cent	Loan, 1958-63	5,85,19,500	
			22,34,71,400
4 per cent	Loan, 1960-70	63,30,26,300	
4 per cent	Loan 1948-53	5,02,40,400	
4 per cent	Loan from Maharaja Scindia for Indian Government Railway	1,50,00,000	
			69,82,66,700
3½ per cent	Loan, 1842-43	72,24,73,400	
3½ per cent	Loan, 1854-55	39,29,53,088	
3½ per cent	Loan, 1865	66,37,25,800	
3½ per cent.	Loan, 1879	17,83,51,100	
3½ per cent.	Loan, 1900-01	77,15,31,150	
3½ per cent	Loan, 1947-50	55,94,36,900	
3½ per cent	Loan, 1954-59	12,36,69,300	
			3,41,21,40,738
3 per cent	Loan, 1953-55	1,14,59,67,500	
3 per cent	Loan, 1896-97	8,93,37,500	
3 per cent	Defence Bonds, 1946	65,14,32,200	
3 per cent	Loan, 1949-52	66,63,53,500	
3 per cent	Loan, 1951-54	86,72,71,900	
3 per cent	Loan, 1963-65	1,16,17,46,100	
3 per cent	Funding Loan, 1966-68	1,10,11,78,000	
3 per cent	Victory Loan, 1957	1,11,42,29,500	
3 per cent.	Second Victory Loan, 1959-61	1,13,27,91,800	
3 per cent.	First Development Loan, 1970- 75	1,15,05,83,200	
			9,08,08,91,200
2½ per cent.	Bonds, 1950	35,09,47,000	
			35,09,47,000
2½ per cent.	Loan, 1958-52	87,01,28,000	
2½ per cent.	Loan, 1960	25,63,06,800	
			1,12,64,34,800
	Total ..	..	14,89,21,51,838

B. Loans not bearing interest.

Description of Loan.	Amount of each loan. Cr. Rs.
Treasury Bonds, 1935 -	1,46,200
Bonds 1935	19,200
Bonds, 1934	1,54,800
Bonds, 1933	33,700
Bonds, 1932	35,700
Bonds, 1931	10,200
Bonds, 1930	2,73,900
Bonds, 1927	81,800
Bonds, 1926	78,400
Bonds, 1933-36	15,700
War Bonds, 1928	92,525
War Loan, 1929-47	2,16,850
Conversion Loan, 1916-17	18,800
Loan, 1945-55	1,91,75,050
Loan, 1934-37	2,07,700
Loan, 1938-40	54,800
Loan, 1939-44	1,77,900

B. Loans not bearing interest *concl'd*

Description of loan	Cr	Amount of
		each loan.
	Rs.	
Loan, 1940-43		1,28,100
Bonds, 1941		1,45,900
Bonds, 1943		3,37,500
		—
	Total	2,14,04,725

C. Interest-free loans.

Three Year Interest-Free Defence Bonds	2,27,63,472
Five Year Interest Free Prize Bonds, 1949	5,29,85,500
	—
Total	7,57,48,972

The total figure under "B Loans not bearing interest" represents the unclaimed balance of old loans which have been notified for discharge and have ceased to bear interest from the due date of discharge.

14. The figures in paragraph 13 correspond with those given in Account No 93 of the Combined Finance and Revenue Accounts for 1945-46 and Account No 3 of Part B. II. Accounts of this report

15. The Indore State Railway Loan of rupees seventy lakhs and the Scindia State Railway Loan of rupees one crore and fifty lakhs are not borne on the registers of the Reserve Bank but were taken under special conditions from the Maharajas, Holker and Scindia.

16. The other loans are borne on the registers of the Bank and the verification of their balances consists in a reconciliation between the loan balances which are outstanding on the books of the Accountant General, Central Revenues, and the corresponding balances in the books of the Bank as representing the outstanding loans held against Government. A comparison of the figures of outstanding loans on the books of the Accountant General, Central Revenues, on the 31st March, 1946, with the corresponding liabilities on the books of the Bank revealed differences under sixteen loan heads noted below

Description of loan	Ledger balance more+less—
	Rs
1 Bonds, 1931	+100
2 Bonds, 1930	+1,000
3 Bonds, 1926	+100
4 Bonds, 1943	+70,900
5 Bonds, 1933-36	5,000
6 War Bonds, 1928	+100
7 Loan, 1939-44	+6,900
8 War Loan, 1929-47	+2,600
9 Loan, 1940-43	+2,000
10 Three Year Interest-Free Defence Bonds	+24,764
11 Loan, 1945-55	—11,43,16,350
12 Loan, 1953-55	—32,900
13 Loan, 1938-40	+600
14 Victory Loan, 1957	—2,64,01,900
15. Second Victory Loan, 1959-61	—31,81,200

The ledger balances on the books of the Accountant General, Central Revenues based as they are on the actual transactions passing through the Government accounts of the year, may be taken as the true liability of the Central Government on the 31st March, 1946.

The differences mentioned above, except in the case of items 10, 12, 14 and 15, relate to loans which are in course of discharge. The balances on the books of the

Bank are not reduced until the securities are actually cancelled by that office, while the necessary debits are adjusted through the accounts of the Accountant General, Central Revenues, on the basis of information furnished by the Accountants General and Comptrollers. The differences in the case of items 1 to 9, 11 and 13 were mostly due to securities discharged and accounted for as such in the accounts of the Accountant General, Central Revenues, but not cancelled by the Bank and *vice versa*, and in the case of item 8 to a certain extent to outstanding allotment letters not having been converted into scrip. In the case of items 10, 11 and 14 and 15, the final account adjustment of the figures of the loans have not yet been completed in the absence of complete figures from the Bank.

II—Floating Debt Cr. Rs 83,33,00,000

17. The balance under this head represents the amount of the Treasury Bills outstanding on the 31st March, 1946, on the books of the local Head Offices and the Branch Offices of the Reserve Bank of India. The details, according to accounting circles, are as follows

TREASURY BILLS	Cr.	Rs
Central Revenues	70,55,25,000	
Madras	6,00,000	
Bombay	12,43,00,000	
Punjab	28,75,000	
	Total	83,33,00,000

Sterling Debt Cr. £ 45,058,704

18. The balance under Sterling Debt is composed of the following parts

Permanent Debt

	Cr.	£	45,058,704
I—Loans bearing interest	44,889,206		
II—Loans not bearing interest	169,498		
	Total		45,058,704

The details of the above balances are

I.—Loans bearing interest.

	Cr.	£
India 4½ per cent Stock	5,729,090	
India 4 per cent Stock	700,560	
India 3½ per cent Stock	724,655	
India 3 per cent Stock	2,410,267	
India 2½ per cent Stock	202,024	
East Indian Railway Irredeemable Debenture Stock, 4½ per cent	12,170	
East Indian Railway New Debenture Stock, 3 per cent	84,750	
Eastern Bengal Railway Irredeemable Debenture Stock, 4 per cent	2,639	
South Indian Railway Perpetual Debenture Stock, 4½ per cent	4,160	
Great Indian Peninsular Railway Irredeemable Debenture Stock, 4 per cent	28,360	
Burma Railways Debenture Stock, 3 per cent	18,834	
Liability for British Government 5 per cent War Loan (1929-47) taken over by India	15,466,928	
South Indian Railway Debenture Stock 4 per cent	106	
		<i>Railway Annuities</i>
East Indian Railway Annuity terminating in 1953	7,173,894	
Eastern Bengal Railway Annuity terminating in 1957	1,102,326	
Scinde, Punjab and Delhi, Railway Annuity terminating in 1959	3,776,105	
Great Indian Peninsular Railway Annuity terminating in 1948	3,194,522	
Madras Railway Annuity terminating in 1956	4,257,816	
		Total—Loans bearing interest
		44,889,206

II. Loans not bearing interest.

	Cr. £
India 3½ per cent Stock, 1931 or after .	157,687
India 5 per cent Stock, 1942-47	2,684
India 5½ per cent Stock, 1932	1,800
India 6 per cent Bonds, 1932	450
Bombay, Baroda and Central India Railway 3½ per cent Debenture Stock	200
East Indian Railway 3½ per cent Debenture Stock	5,610
Great Indian Peninsula Railway 3½ per cent. Debenture Stock	1,067
 Total—Loans not bearing interest	 169,495

19. These balances are borne on the books of the Secretary of State and agree with the figures shown in Account No. 93 of the Combined Finance and Revenue Accounts for 1945-46 and Account No. 3 of Part B-II.—Accounts of this report.

The amount shown against "Liability for British Government 5 per cent. War Loan (1929-47) taken over by India" is the undischarged balance of the liability assumed by India as a contribution towards the cost of the Great War, 1914-18. Payment of interest on this liability has been suspended from the 1st July, 1931.

The amount shown under Railway Annuities represent the unexpired portion of the capital liability involved in the purchase of Railways under redemption by annuities, which has been transferred to General Revenues on the separation of the railway finances from the general finances of the Central Government. The liability for Railway annuities is, however, included in the balance only for accounting reasons as it has been funded by a lump payment to His Majesty's Government which has undertaken to make available to the Central Government the amount required to meet the instalments as and when they fall due.

20. Funds were also raised by the Secretary of State by the issue of debentures through Railway Companies working State lines. The interest on these is guaranteed by the Secretary of State, but they are not in the nature of direct obligations and are not, therefore, included in the Public Debt of the Central Government.

SECTION O. UNFUNDED DEBT.	INDIA	.. Cr.	Rs.	2,32,61,44,085
	ENGLAND	.. Cr.	£	2,646,795

21 *Unfunded Debt* This term is used to describe a number of interest-bearing obligations of Government in respect of funds deposited with it for various purposes The principal classes of these obligations are

	India Rs	England £
Special Loans	1,45,01,365	.
Treasury Notes	71,619	
Deposits of Service Funds	75,49,358	2,646,795
Savings Bank Deposits	1,25,54,02,845	
Post Office Certificates	95,58,06,469	
Indian States Certificates	39,52,744	
State Provident Funds	97,13,71,535	
Other Accounts	11,74,88,130	
Total	Cr 3,32,61,44,085	2,646,795

Special Loans Cr. Rs. 1,45,01,365

22. Under this head is recorded a number of interest-bearing obligations, mostly of a permanent character, of which the following are the details

Description of the Loan (1)	Central Revenues (2) Rs	United Provinces (3) Rs	Punjab (4) Rs	Total (5) Rs
3 per cent Perpetual Loan (Madras)	21,000	.		21,000
6 per cent Perpetual Loan (Madras)	70,000	.		70,000
Endowments by the late King of Oudh—				
First Loan (6 per cent)		24,54,235		24,54,235
Third Loan (5 per cent)		98,32,964		98,32,964
Sixth Loan (4 per cent)		13,95,166		13,95,166
Appropriation for the maintenance of Madho Rao	6,68,000			6,68,000
Endowment for Charitable and Educational Institutions	50,000		10,000	60,000
Total Cr 8,09,000	1,36,82,365		10,000	1,45,01,365

23. Full particulars of these loans are given below

Madras Perpetual Loans Cr. Rs 91,000

These are all deposits made by private persons originally with the Government of Madras as perpetual loans. The deposit is, in each case, an endowment for religious purposes connected with Christian churches.

Endowments by the late King of Oudh Cr. Rs. 1,36,82,365

These are endowments made by the late King of Oudh for the payment of pensions and certain stipends called Wasika Pensions. The balances of the first, the third and the sixth loans have been reduced by Rs. 1,517, Rs 2,055 and Rs. 792 respectively during the year under report owing to adjustments on account of the values of commuted and lapsed pensions.

Appropriation for the maintenance of Madho Rao Cr. Rs. 6,68,000

The balance shown against this head represents the amount appropriated in 1861 out of the property forfeited by Madho Rao's father to provide a pension for his son.

Endowment for Charitable and Educational Institutions Cr. Rs. 60,000

The particulars of these endowments are

Central Revenues

	Cr Rs
Deposits of the Lawrence Military Asylum, Mount Abu	.. .. .. 10,000
Annuity Fund of Fateh Ullah Khan	.. .. .. 40,000

Punjab—

		Cr
		Rs
Lawrence Memorial Asylum at Murree	..	10,000
	Total	60,000

These consist generally of endowments for specific purposes of an educational or charitable character, *e.g.*, maintenance of asylums for the poor, etc., which were accepted by Government from private persons at various times. These loans are practically fixed and do not, therefore, require annual verification.

Treasury Notes Cr. Rs. 71,619

24 The balance represents the value of three non-transferable Treasury Notes at 4 per cent (Madras) Two Treasury Notes, one for Rs 20,219 and another for Rs 10,000 are held by the Accountant General, Madras, as Treasurer of Charitable Endowments The third Note for Rs 41,400 belonging to the Lawrence Memorial Royal Military School, Lovedale is held by the Reserve Bank of India, Madras on behalf of the Administrators *viz*, the Director of Public Instruction, Madras and the Collector of the Nilgiris

Deposits of Service Funds	India	Cr.	Rs.	75,49,358
	England	Cr.	£	2,646,795

25. The details are as follows

India—

Bengal Uncovenanted Service Family Pension Fund	28,15,646
Bengal and Madras Service Family Pension Fund	15,58,955
Madras Military Assistant Surgeons' Fund	4,33,472
Bombay Family Pension Fund of Government Servants (Widows' Pension Branch)	27,41,063
Indian Civil Service Family Pension Fund (untransferred)	222
Total	75,49,358

England—

Indian Military Widows and Orphans' Fund	.	.	.	230,063
Indian Military Service Family Pension Fund	.	..	.	1,380,020
Indian Civil Service Family Pension Fund	.	..	.	1,036,712
			Total	2,646,795

26 *India* — These represent, in the main, the balances of certain funds intended for the benefit of Government servants, but not under the control of Government, which are deposited with them on favourable terms as to interest

In respect of all these funds the Treasury is merely the depository, the funds having in each case their separate offices and organisations for keeping the details of the accounts. The verification of the balances, therefore, consists in merely agreeing the balances of the Government books with those claimed by the trustees or other responsible officers of the funds.

The differences of Rs 28 and Rs 57 against "Bengal uncovenanted Service Family Pension Fund" and "Bengal and Madras Service Family Pension Fund" respectively are in course of adjustments in the accounts for 1946-47. The balance under "Indian Civil Service Family Pension Fund (untransferred)" is under settlement.

27 *England—The Indian Military Widows' and Orphans' Fund*—It was designed to secure suitable provision for the widows and orphans of officers of the Indian Army not being subscribers under the Indian Military Service Family Pension Regulations. The balance of the fund, which is essentially sterling in character, is held in England.

Indian Military Service Family Pension Regulations and the Indian Civil Service Family Pension Rules. All moneys contributed thereunder were up to the 31st March, 1936 credited as revenues of India and the pensions and other benefits paid were debited as a charge upon those revenues. Since 1st April, 1936 these transactions have been brought under Section O Unfunded Debt and the balances have been recognised as sterling liabilities of Government.

With effect from the 1st April, 1937 all these funds have been divided into two sections, namely, the Transferred section and the Untransferred section, to represent respectively the interest transferred to the Commissioners appointed under the Government of India (Family Pension Funds) Order, 1936, and the interest untransferred by reason of objection made under Section 273 (3) of the Government of India Act, 1935. The balances existing at the end of March, 1937 in respect of the section of the subscribers and beneficiaries who elected for transfer, were paid over to the appropriate Commissioners under the provisions of the Orders in Council. The balance outstanding on the 31st March, 1946 in respect of "Transferred Funds" is shown under "Suspense Accounts" in "Section P Deposits and Advances". The balances shown herein represent those of the Untransferred section of each fund.

These funds are under the control of Government and are audited like other Government accounts.

Savings Bank Deposits	Cr	Rs. 1,25,54,02,845
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28. The details are as follows

	Cr.	Rs
Post Office Savings Bank Deposits	1,15,04,30,708
Post Office Defence Savings Bank Deposits	10,49,72,137
Total		1,25,54,02,845

Post Office Savings Bank Deposits These deposits relate to savings banks established at Post Offices throughout the country to encourage thrift and banking habit. Deposits are received into them subject to certain limitations and bear interest at 1-1/2 and 2 per cent under different circumstances. The interest credited to the depositors' accounts during the year amounted to Rs 1,70,37,808. The balance mentioned herein excludes the balances under "Dead Savings Bank Accounts" which are shown separately under "Deposits". The ledger balance was found to differ from the total of the balances of live accounts held at the credit of the depositors as worked out from the books of the Audit Offices by Rs 12,310 which is under reconciliation. Thirty four cases involving a sum of Rs. 2 were written off during the course of the year. The above balance excludes contingent liabilities of Rs 15,938 for cases of savings bank frauds in which the claims of the defrauded depositors have not yet been settled by the Heads of Circles. The analysis of the above amount according to years of detection of the frauds is given below.

	Rs
1939-40	702
1942-43	4,040
1943-44	..
Total	11,106
	15,938

Post Office Defence Savings Bank Deposits. To provide a ready means for the deposit of their saving by persons of limited means with a view to enable them to help in the war efforts, the Indian Post Office Defence Savings Bank was established from the 1st April, 1941. Deposits were received subject to certain limitations and bore interest at the rate of 2-1/2 per cent per annum. The interest credited to the depositors' accounts during the year amounted to Rs. 5,06,481. There was a difference of Rs. 5,247 between the ledger balance and total of balances in the accounts of the depositors which is under reconciliation. Deposits to the head have been discontinued with effect from the 1st April, 1947.

Post Office Certificates .. Cr. Rs. 95,58,06,469

29. These are composed of the following

	Cr. Rs
Post Office Five Year Cash Certificates	38,76,18,276
Post Office Ten Year Defence Savings Certificates	5,91,99,060
Post Office Twelve Year National Savings Certificates	50,89,89,133
 Total	 95,58,06,469

Post Office Five Year Cash Certificates The balance represents the issue price of cash certificates sold to the public remaining undischarged at the end of the year under review and does not include the accrued liability in respect of bonus which is of the nature of deferred interest and is payable under the system described below.

These certificates are repayable on demand at any time, but are ordinarily expected to remain in deposit for five years. On repayment, after the first year of deposit, a bonus is payable in addition to the principal. For a certificate remaining in deposit for the full five years, the bonus payable represents, at the rates of issue prevailing during the period covered by this report, approximately 2-1/2 per cent compound interest.

With a view to afford additional facility to the holders, cash certificates maturing on or after the 6th June, 1940 are allowed, at the option of the holders, to be held for a further period of ten years, at revised rates of interest during the extended period.

Post Office Ten Year Defence Savings Certificates With effect from the 6th June, 1940 this new form of Postal Certificate has been issued. These certificates, like the Five Year Cash Certificates, are payable on demand with a bonus, if paid on or after the expiry of two years from the date of issue but are ordinarily expected to remain in deposit for ten years. The bonus payable after the full term of ten years represents, at the rates now prescribed, approximately 3-1/8 per cent compound interest. The balance represents the issue price of certificates remaining undischarged at the close of 1945-46. The issue of these certificates has been stopped from the 1st October, 1943. There is a difference of Rs. 1,370 between the detail book and the subsidiary Register balances which is under settlement.

Post Office Twelve Year National Savings Certificates -- This new form of certificate, known as Post Office Twelve Year National Savings Certificate, is being issued from the 1st October, 1943. These certificates are encashable with a bonus if paid on or after the expiry of one and a half years in the case of certificates of Rs. 5 denomination and in the case of other denominations issued prior to 1st October, 1945, after three years from the date of issue and in the case of those issued on or after 1st October, 1945, after two years from the date of issue. The bonus payable

after the full term of twelve years amounts approximately to 4-1/6 per cent. simple interest. The balance represents the issue price of the certificates remaining undischarged at the close of the year 1945-46. The difference of Rs. 4,060 between the ledger and the subsidiary register balances is under reconciliation.

Indian States Certificates**Cr. Rs. 39,52,74**

30 As a counterpart of the Government of India's Small Savings Scheme, His Exalted Highness the Nizam's Government are issuing National Savings Certificates in *Halasicca* currency through the Hyderabad State Post Offices on the same terms and conditions as applicable to the Post Office 12 Year National Savings Certificates in British India. Monthly accounts are rendered by State Government to the Government of India and settlements are effected in British Indian currency, the transactions in *Halasicca* being converted at a fixed rate of exchange.

State Provident Funds

31 These are funds established for the benefit of Government servants, contri-
the sums deposited in them and, in some cases where the funds, in effect, represent
revenues The Defence Savings Provident Funds, ordinary and railway, are
accumulated deposits in the other funds are finally paid to the depositors on the
circumstances The balances of individual accounts were duly communicated to
funds are as shown in the following table .

Balance of State Provident Funds

Funds	Central Revenues	Supply Accounts (Civil)	Food Ac counts	Balu chistans	Madras	Bombay	Bengal	United Provinces	Punjab
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Rs	Rs	Rs	Rs	Rs	Rs	Rs.	Rs	Rs
State Railway Provident Institution	6,88,308								
General Provident Fund	2,16,11,329	9,21,995		10,63,331	31,34,680	78,33,844	68,85,788	19,44,648	17,40,221
India Civil service Provident Fund	24,61,154			1,29,258	—26	53,426	13,371	166	1,103
Indian Civil Service (Non European Members) Provident Fund	1,37,638				—770		62		1,055
Defence Savings Provident Fund	33,00,376	6,88,851	14,288	1,06,153	34,93,941	49,34,518	17,22,742	27,95,858	46,30,443
Defence Savings Provident Fund— Railways									
Defence Services Officers' provident Fund									..
Military Engineer Services Provident Fund									..
Indian Ordnance Department Provident Fund									..
Contributory Provident Fund	29,96,465	29,56,780	10,861	500	5,64,126	11,72,382	8,32,047	1,680	12,807
Contributory (Transferred Railway Personnel) Provident Fund									
Other Miscellaneous Provident Funds	14,998	1,31,673			6,34,225		1,031		21
Total	3,12,10,268	46,89,299	25,149	12,09,242	78,26,176	1,39,94,170	91,55,041	47,42,352	63,85,650

Cr. Rs. 97,13,71,535

butions to which are, in certain cases, compulsory. Government pays interest on substitutes for pensions, supplements the deposits by contributions from its own governed by special rules as described in paragraphs 36 and 37 below. The termination of their service, but temporary withdrawals are permitted in certain the depositors concerned except where otherwise mentioned. The details of these

on the 31st March, 1946.

Bihar	Central Provinces and Berar	Assam	North-West Frontier Province	Orissa	Sind	Coorg	Defence	Railways	Posts and Telegraphs	Total
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs.
..								75,23,46,692		75,30,35,000
9,79,011	8,46,012	3,04,623	4,90,400	1,30,772	8,60,547	5,54,680	2,12,60,292	30,65,215	4,42,49,165	11,78,82,553
1,722	318	.	.						49,794	27,10,286
539		.	.				..		3,079	1,41,603
14,78,068	15,11,408	5,31,876	7,45,531	3,97,917	4,54,414	4,069	77,09,849	86,175	19,00,544	3,65,07,021
..								38,11,510		38,11,510
..	.	.	.				1,42,13,159			1,42,13,159
..	.	.	.				46,618	..		46,618
..	.	.	.				1,06,69,279		.	1,06,69,279
..	6,720	.	.				4,33,745		55,95,744	1,45,83,857
..	.	.	.					21,53,089		21,53,089
..	.	.	.				1,48,35,612			1,48,35,612
24,59,340	23,57,738	8,36,499	12,42,651	5,28,689	13,14,961	5,58,749	6,91,74,554	76,14,62,681	5,17,98,326	97,13,71,535

State Railway Provident Institution .. Cr. Rs. 75,30,35,000

32. The balance in the ledgers of the institution was reconciled with the general book, of the Railways concerned except on the Bengal and Assam, the East Indian, the Great Indian Peninsula and the North Western Railways and with the broadsheet maintained by the Accountant General, Central Revenues. The difference under Central Revenues is under investigation. One case of misclassification detected during test audit resulted in a debit of Rs 15000 under the head in the Railway book.

General Provident Fund Cr. Rs. 11,78,82,553

33. The ledger balances of this fund on the books of the Civil and Departmental Accounting Officers are proved with the sum total of the balances of the personal accounts of the subscribers to the fund. In doing so differences were found in certain cases, which have since been settled except for Rs 2,780 under Supply Accounts (Civil) Rs 985 under Baluchistan, Rs 45,496 under Madras, Rs 18,554 under Bombay, Rs 28,352 under Bengal, Rs 2,456 under United Provinces, Rs 9,231 under Punjab, Rs 2,109 under Bihar, Rs - 194 under Central Provinces, Rs 1,484 under Orissa and Rs 1,438 under Coorg. Under Central Revenues, the difference of Rs 54,198 between the broadsheet and the ledger balances is under settlement.

Indian Civil Service Provident Fund Cr. R. 27,10,286

34. The balances under this head represent deductions made from the salaries of members of the Indian Civil Service which are funded for the benefit of the officers concerned. The ledger balances agree with the broadsheets maintained by Accounts Offices except Rs 2,091 under Central Revenues, Rs 525 under Baluchistan, Rs 3,288 under Bombay, Rs 2,958 under Bengal and Rs 166 under United Provinces, which are under settlement. The debit balance under Madras is due to erroneous adjustments and will be adjusted in the accounts for 1946-47.

Indian Civil Service (Non-European Members)

Provident Fund Cr. Rs. 1,41,603

35. This fund was established on the 1st January, 1931. It is open only to Non-European members of the Indian Civil Service. The balance shown under Punjab is being re-adjusted in 1946-47. The debit balance under Madras is due to erroneous adjustments and is in course of reconciliation. The differences of Rs -1,168 and Rs 60 between the ledger and the broadsheet balances under Central Revenues and Bengal respectively are under settlement.

Defence Savings Provident Fund Cr. Rs 3,65,07,021

36. This fund was started during the year 1940-41 to enable Government servants to take part in the defence savings movement. Subscriptions are voluntary and will not continue beyond 31st March, 1947, i.e. twelve months from 1st April, 1946—the date on which the war is declared to have terminated. No advances are permitted. The amount standing at the credit of a subscriber is payable on his quitting service or on the expiry of twelve months from the date on which the war is declared to have terminated, whichever is earlier, provided that in the latter case the subscriber gives due intimation claiming payment to the Accounts Officer or the Head of the office as laid down in the rules.

The differences between the ledger and the broadsheet balances were noticed in certain cases which have been adjusted in the accounts for 1946-47, except Rs 1,86,153 under Baluchistan, Rs 1,29,158 under Madras, Rs 5,330 under Supply Accounts (Civil), Rs 14,396 under Bombay, Rs 33,419 under Bengal, Rs. 7,339 under United Provinces, Rs 35,276 under Bihar, Rs 811 under Central Provinces, Rs 2,76,759 under Punjab, Rs 609 under Orissa, and Rs 103 under Coorg which are under settlement. The differences under Central Revenues are under investigation.

Defence Savings Provident Fund Railways Cr. Rs. 38,11,510

37 This fund was also started on terms similar to those of the Defence Savings Provident Fund during the year 1940-41 and is open to all Railway servants in the service of the Crown in India. The balance was reconciled with that as per personal ledgers of the subscribers except on the Bengal and Assam Railway.

Defence Services Officers' Provident Fund Cr Rs. 1,42,13,159

38 It is open to British and Indian Officers holding substantive King's Commissions in the Indian Army, including the Indian Medical Service and in the Royal Indian Navy.

Military Engineer Service Provident Fund Cr. Rs. 46,618

39 This fund is intended for non-pensionable Government servants of the Military Engineer Services.

Indian Ordnance Department Provident Fund Cr. Rs. 1,06,69,279

40. This fund is intended for non-pensionable Government servants of the Indian Ordnance Department.

Contributory Provident Fund Cr. Rs. 1,45,82,857

41 This fund was started for the benefit of certain non-pensionable Government servants under the control of the Central Government. The differences between the ledger and the broadsheet balances have been settled except some differences under Central Revenues, Rs 500 under Baluchistan, Rs 1,743 under Supply Accounts (Civil), Rs 17,967 under Madras, Rs 2,401 under Bombay, Rs 76,527 under Bengal, Rs 1,680 under United Provinces and Rs 3,856 under Punjab.

Contributory (Transferred Railway Personnel)

Provident Fund Cr Rs. 21,53,089

42. This fund was instituted during the year under review for the staff of the Railway Audit Department on conditions analogous to Indian Government Railway Provident Fund. The balances relating to such staff held under the head "State Railway Provident Institution" to end of 1944-45 on the North Western Railway and the Railway Clearing Accounts Office were also transferred to this head in the year under review. A difference of Rs 883 was noticed on the Bengal Nagpur Railway which has been set right in the accounts for 1946-47.

Other Miscellaneous Provident Funds Cr. Rs. 1,56,17,560

43 This balance includes (i) the balances of special Provident Fund for the non-pensionable employees of the late Indian Stores Department, (ii) the balances of the Vizagapatam Port Contributory Provident Fund which is open to employees of the Vizagapatam Port only and (iii) the balances of the Okara Military Farm Provident Fund and the Indian Ordnance Factories Workmen's Provident Fund. The difference of Rs 318 under Supply Accounts (Civil), Rs 38,125 under Madras are under settlement. The balance shown under Punjab is being set right in the accounts for 1946-47.

Other Accounts Cr. Rs. 11,74,88,150

44 The details are shown below.

BOMBAY

Cr.
Rs.

Bombay Family Pension Fund of Government Servants (Life Assurance Branch)

BENGAL

5,644

General Family Pension Fund

12,014

Hindu Family Annuity Fund

2,96,063

Bengal Christian Family Pension Fund

3,350

POSTS AND TELEGRAPHHS

Postal Insurance and Life Annuity Fund

11,06,83,815

	RAILWAYS	Cr Rs
Staff Benefit Fund		45,82,577
Indian Railway Conference Association Employees' Provident Fund		7,23,215
Eastern Group Sleeper Control Provident Fund		2,88,714
Sind, Punjab and Delhi Railway Clergy Endowment Fund		16,006
Technical Trainees' Benefit Fund		81
GENERAL		
Cemetery Endowment Fund		8,76,671
Total		11,74,88,150

45 *Bombay Family Pension Fund of Government Servants (Life Assurance Branch)* The balance is constituted of subscriptions of such members of the fund who become widowers.

46 *General Family Pension Fund* The balance under this head differs from the amounts claimed by the Administrator of the fund by Rs. 1,580 which is being adjusted in the accounts for 1946-47.

47 *Hindu Family Annuity Fund*. The fund was established in 1872 as a mutual and benevolent institution primarily for the purpose of providing annuities to the widows and children of the Bengalee Hindus and Brahmos. The fund is managed by a Board of Directors. The receipts of the fund consist of subscriptions of Government employees, pensioners, and others and also of interest on the securities in which the fund money is invested. For current expenses and investments, letters of credit are issued on the Reserve Bank of India, Calcutta. The difference of Rs. 12,907 between the ledger and the broadsheet balances is under settlement.

48 *Bengal Christian Family Pension Fund* The fund was established in 1859 with the object of enabling subscribers belonging to the Indian Christian community to secure pensions for themselves, their widows, children and wards. The management of the fund is made by the members themselves through the Board of Directors. The fund being purely mutual, the surplus for interest, etc., is returned to members by reduction of subscription and/or grant of cash bonus, etc. There is a difference of Rs 208 in the balance, which has been adjusted in the accounts for 1946-47.

49 *Postal Insurance and Life Annuity Fund* This is a Life Insurance Fund managed by Government for the benefit of its employees, in which insurance is permitted up to a maximum of Rs. 20,000 for each life insured. The balance includes interest for the year at 3½ per cent on balances at credit of the fund in respect of policies issued up to the 31st March, 1940 and at 3 per cent in respect of policies issued from the 1st April, 1940 onwards. The number of subscribers on the 31st March, 1946 was 92,700 against 92,975 on the same date in 1945.

50 *Staff Benefit Fund Railways* This fund was instituted on the 1st April, 1931 to provide certain amenities and afford relief from distress to non-gazetted employees of Railways, the cost of which was previously met from the Railway Fine Fund. The income of the fund is derived from fines levied on the employees, supplemented by a contribution from Railway revenues. There is a difference of Rs 8,800 on the North Western Railway, out of which Rs 3,138 has been cleared during 1946-47 and the balance is under investigation.

51 *Indian Railway Conference Association Employees' Provident Fund*. This fund was established for the benefit of the staff of the Indian Railway Conference Association on conditions analogous to State Railway Provident Funds. The amount is mostly invested in Government securities leaving a small amount as working balance in hand.

52. *Eastern Group Sleeper Control Provident Fund.* This fund was instituted during 1940-41 on the Bengal Nagpur Railway but the balances of the fund were merged with those of the then existing head "Companies' Railways Provident Fund" from which they were separated in 1942-43. There was a difference of Rs 1,079 which has been settled in 1946-47

53. *Sind, Punjab and Delhi Railway Clergy Endowment Fund.* This fund was instituted in 1942-43 for recording the cash proceeds of India 3 per cent. Stock of the late Sind, Punjab and Delhi Railway

54. *Technical Trainees' Benefit Fund.* This was instituted during 1941-42.

55. *Cemetery Endowment Fund* The balance represents the amount of endowment fees, ordinary and special, received up to the 31st March, 1946 for the erection of monuments over the graves in Government cemeteries.

The details, according to accounting circles, are as follows :

	Cr. Rs.
Central Revenues	4,74,922
Madras	1,396
Bombay	6,098
Central Provinces and Berar	35,510
Assam	13,837
North-West Frontier Province	191
Orissa	3,988
Goorg	1,197
Total	5,37,139
Defence	..
Railways	2,87,495
	52,037
Grand Total	8 76,671

SECTION P. DEPOSITS AND ADVANCES.

INDIA	..		Dr. Rs.	62,52,79,494
			Cr. Rs.	6,61,56,41,931
ENGLAND	..		Dr. £	32,737,013
			Cr. £	8,585,316

56 This section consists of five main parts, namely :

Heads	India		England	
	Dr.	Cr.	Dr.	Cr.
	(1)	(2)	(4)	(5)
	Rs.	Rs.	£.	£.
(I) Deposits bearing interest	83,38,397	8,07,51,33,903	.	.
(II) Deposits not bearing interest	(a) 5,82,528	2,15,66,14,525	7,400,912	7,500,000
(III) Advances not bearing interest	55,57,56,187	59,23,250	7,371	.
(IV) Suspense	6,06,02,382	1,37,85,62,986	25,229,730	.
(V) Miscellaneous	..	7,177	.	1,085,316
Total	62,52,79,494	6,61,56,41,931	32,737,013	8,585,316

(a) The difference of Rs 5,66,345 both under debit and credit balances, as compared with the balances under this head shown in paragraph 4 (I—Balances in India) has been explained by footnote (a) below paragraph 70.

PART I DEPOSITS BEARING INTEREST.

57 This part consists of two main divisions, namely

Divisions	Dr	Cr
	Rs.	Rs.
(A) -- Reserve Funds	83,38,397	1,51,76,64,931
(B) -- Other Deposit Accounts		1,55,74,69,062
Total	83,38,397	3,07,51,83,993

(A) RESERVE FUNDS

58 This division consists of funds created out of revenue and held in the Government balances on behalf of various departments for specific purposes. The details are as follows.

	Dr	Cr
	Rs	Rs
Reserve Fund—Railways		38,13,58,964
Loans to Branch Line Companies	9,17,152	
Reserve Fund Investment Account—Railways	74,21,245	
Depreciation Reserve Fund—Railways		1,07,45,45,076
Renewals Reserve Fund—Posts and Telegraphs		5,12,92,628
Renewals Reserve Fund—Northern India Salt Revenue		28,72,888
Depreciation Reserve Fund—Lighthouses and Lightships		17,23,772
General Reserve Fund—Lighthouses and Lightships		58,71,603
Total	83,38,397	1,51,76,64,931

Reserve Fund Railways	Cr. Rs.	38,13,58,964
Loans to Branch Line Companies	Dr. Rs.	9,17,152
Reserve Fund Investment Account Railways . . .	Dr. Rs.	74,21,245
Depreciation Reserve Fund Railways	Cr. Rs.	1,07,45,45,076

59. *Reserve Fund Railways* The balance at credit of this Fund in the general books on the 31st March, 1946 was Rs 38,13,58,964.

With the separation of Railway finances from General finances, General Revenues are entitled to receive an annual contribution from Railways. The contribution is based on the capital outlay and the working results of the commercial lines and is a sum equal to one per cent on capital outlay on commercial lines (excluding capital contributed by Companies and Indian States, etc) at the end of the financial year next but one preceding plus one-fifth of any surplus profits remaining after payment of the fixed return. The interest on capital outlay and the loss in working strategic lines are deducted from the contribution so calculated in order to arrive at the amount payable from Railways to General Revenues each year. The contribution is the first charge on the net receipts of Railways. Any surplus remaining after this payment to General Revenues is transferred to the Reserve Fund Railways. Amounts may be withdrawn from the Railway Reserve to secure the payment of the annual contribution to General Revenues; to provide, if necessary, for arrears of depreciation and for writing down and writing off capital and to strengthen the financial position of Railways in order that the services rendered to the public may be

improved and rates and fares may be reduced. The Railway Reserve Fund may also be used for temporary borrowings for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget estimate, subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years. During the year under review, a sum of Rs 5,54,56,208 was withdrawn from the fund to meet the replacement cost of rolling stock received subsequent to 1942-43, which was not covered by the accumulation in the Depreciation Reserve Fund. The balance includes Rs. 6,20,03,676 being the contribution from the surplus for the year.

Loans to Branch Line Companies This head represents advances made in previous years from Depreciation Reserve Fund to certain branch lines to meet capital expenditure. The amount was transferred to Railway Reserve Fund during 1942-43 as it was held that such loans should be granted therefrom. The balance at debit of this head was Rs. 9,17,152 at the end of March, 1946. The loan of Rs 6,50,000 paid from the Railway Reserve Fund to a branch line company to meet capital expenditure was repaid by the company during 1945-46.

Reserve Fund Investment Account Railways The balance of Rs. 74,21,245 represents the amount invested from the Railway Reserve Fund in shares of branch line companies. It includes a sum of Rs 31,20,910, invested originally from the capital programme and subsequently treated as investment from the Depreciation Reserve Fund. During the year 1942-43 this was treated as investment from the Reserve Fund Railways in pursuance of the wishes of the Public Accounts Committee. The face value of these shares was Rs 77,27,800.

Depreciation Reserve Fund Railways It provides generally for the cost of renewals of all assets. The amount set aside annually to cover depreciation is one-sixtieth of the total capital outlay to the end of the previous year. The fund includes provision in respect of Indian Government Railways worked by Indian States also though the procedure of accounting followed in their case is somewhat different.

The balance at credit of the fund at the end of 1945-46 includes Rs. 20,56,904 on account of recovery made during the year from the defunct Bengal and North Western Railway company on account of the overage rolling stock and credited to this head. During 1945-46, the contribution to the fund included a sum of Rs. 4 crores on account of emergency provision to cover excessive wear and tear due to war conditions as in the year 1944-45. The capital-at-charge of collieries has been excluded for the purpose of calculating contribution to the fund with effect from the year under review.

During the period 1931-32 to 1935-36 the balance of the fund was utilised temporarily to meet losses in the working of the Indian Railways by taking loans from this fund. A portion of the amount so utilised was, however, repaid to the fund from the surplus for the years 1936-37 and 1941-42. The net amount of these loans at the end of 1941-42 was Rs 22,38,24 811. This was wiped off in 1942-43, partly by payment of Rs 16,08,18,305 from the surplus of the year and partly by transfer of Rs 6,30,06,506 from the Reserve Fund Railways.

A sum of Rs 32,26,416 representing the cost of abandoned assets which was held in the books of the Railway Board under capital, was debited to this fund in 1937-38.

Out of the credit balance of Rs 1,07,45,45,076 at the end of 1945-46 under this head, a sum of Rs. 1,02,93,87,877 relates to Commercial lines and Rs. 4,51,57,199 to Strategic lines.

Four cases of misclassifications noticed during test audit resulted in a net excess debit of Rs 18,000 to the fund.

Renewals Reserve Fund Posts and Telegraphs Cr. Rs. 5,12,92,628

60 This Reserve Fund is designed to meet the cost of all replacements and abandoned assets. The annual contribution from Revenue to the Reserve Fund has been fixed at Rs 25,00,000 per annum from the 1st April, 1941 for a period of five years. The amount of contribution relating to each branch of the Department for the year 1945-46 has been arrived at by apportionment of the total amount mentioned above, in the following proportions fixed by the Finance Department

Post Office	12 per cent	Telephone	30 per cent
Telegraphs	48 per cent	Radios	10 per cent
		Total	100 per cent

A special lump sum contribution of Rs 50,00,000 has been made out of the revenue of the Department during the year 1945-46 in the proportion as indicated below :

	Rs
Telegraphs	30,00,000
Telephone	20,00,000
Total	50,00,000

Another lump sum contribution of Rs 22,24,200 for 1945-46 has been made from revenue to this fund in respect of the assets of the Telephone Districts.

The position of the accumulated Reserve in respect of each of the branches of the Department at the close of 1945-46 is shown below

	Rs		Rs
Post Office	18,03,976	Telephone	1,90,86,369
Telegraphs	2,90,76,206	Radios	13,26,077
		Total	5,12,92,628

Renewals Reserve Fund Northern India Salt Revenue Cr. Rs. 28,72,888

61 The Depreciation Reserve Fund of the Northern India Salt Revenue Department which was instituted in 1924-25 was replaced by a "Renewals Reserve Fund" from the 1st April, 1938 with a fixed annual contribution of Rs 1,30,000. Certificate of acceptance is awaited from the Collector, Central Excises and Salt, North Western India

Depreciation Reserve Fund Lighthouses and Lightships Cr. Rs. 17,23,772

General Reserve Fund Lighthouses and Lightships Cr. Rs. 58,71,603

62. The Depreciation Reserve is intended to provide for renewals and replacements of wasting assets. The acceptance certificate is awaited

The General Reserve is built up by transferring from the income and expenditure account of the Department the surplus of the receipts over the expenditure of each year. It is charged with the amounts of deficiencies, if any, in the income and expenditure account. Capital expenditure may also be met out of this Reserve. The acceptance certificate is awaited from the Department of Commerce.

These Reserves have been deposited with the Government. The interest earned thereon is treated as income of the Department.

(B) OTHER DEPOSIT

Other Deposits

63 The following are the details

Heads	Central Revenues.	Baluchistan	Madras	Bombay	Bengal	United Provinces
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rs	Rs	Rs.	Rs	Rs.	Rs.
Account of Optional Deposits of Excess Profits Tax under Indian Finance Act, 1942	62,42,816	2,895	48,91,656	4,50,65,668	1,39,47,838	36,97,949
Account of Compulsory Deposits of Excess Profits Tax under Ordinance No XVI of 1943	97,53,380		4,58,60,550	19,48,00,623	6,77,85,149	2,44,88,228
Account of anticipatory deposits made after provision of assessment of Excess Profits Tax	3,34,111		1,74,56,469	6,17,78,799	3,20,39,664	70,28,266
Advance payment of Tax under Section 18-A of Income Tax Act	2,22,46,968	2,06,520	6,51,87,760	39,16,10,911	26,32,65,440	5,11,07,231
Deposits towards payment of Income Tax	8,99,640		99,86,157	2,93,51,292	1,13,68,601	1,12,011
Deposits towards payment of Excess Profits Tax	30,67,669	2,42,251	2,58,14,134	5,09,69,102	90,06,399	27,70,713
Deposits towards payment of Super-Tax					18,038	
Village Collective Savings Accounts			2,21,392			85,21,523
Total	4,25,44,584	4,51,666	15,96,84,806	77,35,77,395	39,80,81,020	8,75,70,931

ACCOUNTS.

Cr. Rs. 1,55,74,69,062

Punjab	Bihar	Central Provinces and Berar	Assam	North West Frontier Province	Orissa	Coorg	Total
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Rs	Rs.	Rs	Rs	Rs	Rs	Rs	Rs
8,55,762	54,562	17,37,119	41,18,563	87,695	1,53,428		7,09,72,639
55,78,686	10,09,805	58,00,809		1,84,055	1,81,289		35,58,87,184
12,44,133	43,254	4,95,391		16,118	12,894		12,10,48,999
3,17,17,016	1,46,67,671	1,23,07,922		18,67,199	8,04,351	28,952	85,50,17,941
65,000	80,431		12,61,088				5,30,74,200
6,39,452	22,813	7 74,613					9,32,07,146
.		..	..	.		.	18,038
.		..				.	87,42,915
4,00,00,049	1,58,28,036	2,11,15,954	53,79,631	21,54,067	11,51,962	28,952	1,55,74,69,062

**Account of Optional Deposits of Excess Profits Tax
under Indian Finance Act, 1942**

Cr. Rs. 7,09,72,639

64 The Deposits of Excess Profits Tax made by the assessee under Section 10 of the Indian Finance Act, 1942 are recorded under this head. The deposit is repayable with interest at 2 per cent per annum within twelve months of the date of termination of the hostilities.

**Account of Compulsory Deposits of Excess Profits Tax
under Ordinance No XVI of 1943**

Cr. Rs. 35,55,39,150

65 The amounts required to be deposited by the assesses in respect of Excess Profits Tax under Ordinance No XVI of 1943 are credited under this head. The deposit carries simple interest at 2 per cent and is repayable within twelve months of the date of termination of the hostilities or within 21 months from the date of deposit, whichever is later.

Account of Anticipatory Deposits made after provisional

Assessment of Excess Profits Tax Cr. Rs. 12,08,97,033

66 Anticipatory deposits made by the assessee are credited under this head. These are to be adjusted against the final assessment.

Advance payment of Tax under Section 18-A of

Income Tax Act Cr. Rs. 85,50,17,941

67 The amounts required to be deposited in advance by the assessee under Section 18-A of Income Tax Act, 1922 are credited under this head.

Deposits towards payment of Income Tax Cr. Rs. 5,30,74,200

Deposits towards payment of Excess Profits Tax Cr. Rs. 9,32,07,146

Deposits towards payment of Super Tax Cr. Rs. 18,038

68 The amounts deposited in advance by the assessee towards payment of Income Tax, Excess Profits Tax and Super Tax are credited under these heads. These are to be adjusted by the departmental officers against the assessment made for the respective taxes. Interest is payable at 2 per cent per annum but no interest will be allowed on amounts which are not utilised for tax payment nor on deposits which run for less than three months.

Village Collective Savings Accounts Cr. Rs. 87,42,915

69 This head has been opened to record the amounts deposited with the Central Government on account of collections of subscriptions towards the defence savings drive.

PART II DEPOSITS NOT BEARING INTEREST

70 This part consists of two main divisions, namely

Division	India		England	
	Dr	Cr	Dr	Cr.
(1)	(2)	(3)	(4)	(5)
(A) — Reserve Funds	Rs 14,938	Rs 21,40,77,370	£ 7,499,912	£ 7,500,000
(B) — Other Deposit Accounts	5,67,590	1,94,25,37,155		
Total	(a) 5,82,528	2,15,66,14,525	7,499,912	7,500,000

(a) Represents investments in Government securities. Out of Rs 5,82,528 a sum of Rs 5,66,345 pertains to Loan Funds, etc., and as such, it has been excluded from investments of Government. [See footnotes (a) and (b) below paragraph 89]. For details see paragraphs 71 and 72 and foot notes below paragraph 89.

(A). RESERVE FUNDS.

71 The details are .

Name of Funds	India		England	
	Dr (1) Rs	Cr (2) Rs	Dr (4) £	Cr. (5) £
Silver Redemption Reserve				7,500,000
Silver Redemption Reserve Investment Account			7,499,912	..
Defence Reserve Fund		1,05,00,005		..
Equalisation Fund—Defence Services		1,38,06,432		..
Post Office Certificates Bonus Fund		1,86,47,308		..
Central Road Fund		3,79,61,054		..
Sugar (Temporary Excise) Fund		2,15,65,839		..
Fund for the relief of Groundnut Cultivators		4,54,748	..	..
Civil Aviation Fund		5,44,212		..
Panth Piploda Reserve Fund		15,603		..
Panth Piploda Reserve Fund Investment Account	14,938			..
Cotton Textile Fund		1,16,05,420		..
Coal Production Fund		98,10,172		..
Coal Mines Labour Welfare Fund		54,73,473		..
Fund for the Economic Development and Improvement of Rural Areas		2,69,073		..
Fund for the Development of Civil Aviation		33,18,721		..
Fund for the Development of Broadcasting		11,58,500		..
Fund for Special Frontier Expenditure including Development		70,95,694		..
Fund for the benefit of Cotton Growers		1,09,44,636		..
Depreciation Reserve Fund—Government Presses		14,77,479		..
Renewals Reserve Fund—Defence Services		13,88,890		..
Fund for payment of bonus to temporary clerical personnel under the Scheme of unified scale of pay		26,14,088		..
Fund for India's contribution to the United Nations Relief and Rehabilitation Administration		5,45,26,023		..
Total	14,938	21,40,77,370	7,499,912	7,500,000

Silver Redemption Reserve	Cr. £	7,500,000
Silver Redemption Reserve Investment Account	Dr £.	7,499,912

72 The primary object of the Silver Redemption Reserve is to provide sterling assets for transfer to the Issue Department of the Reserve Bank of India against delivery by the Bank of rupee coin, in accordance with the proviso to Section 36 (1) of the Reserve Bank of India Act. Except for some small amount of cash, the entire balance of the Reserve is invested in sterling securities. The Reserve including the invested portion is in the custody of the Secretary of State.

The intention is to maintain this Reserve at a market value of Rs 10 crores. It may be increased by receipts from any of the following sources, namely

(a) proceeds of sales of silver from the Surplus Silver Stock

(b) payments from the Bank under Sections 36 (2) and (36 (3) of the Act,

(c) profits from any casual sales of gold by the Bank accruing to Government as part of its share of the profits of the Bank, and

(d) capital appreciation of the securities

The Reserve is liable to diminution from two causes namely

(i) transfer of assets to the Bank under the proviso to Section 36 (1) of the Act to meet sterling liabilities in respect of return of coin, and

(ii) capital depreciation of securities

Receipts from the first source are regarded as available for replenishment of the Reserve only to the extent of any deficiency caused by previous payments to the Bank, any excess in the corpus of the reserve over Rs 10 crores being credited to the head "Purchases and Sales of Silver". As a matter of accounting machinery and in order to avoid the record of silver sales under two different heads, all such sales are recorded in the first under the head "Purchases and Sales of Silver", any amount appropriated to the Silver Redemption Reserve being credited to the reserve. Capital depreciation constitutes the first charge in the interest realised from the securities held in the reserve, and only the net amount of interest in any year, after making good any depreciation suffered during that year, is creditable to revenues. If in any year, there is a net appreciation in investments belonging to the reserve, the amount of such appreciation together with all the interest receipts of that year is creditable to revenue.

The balance on the 31st March, 1946 was made up as follows

	Nominal amount £	Market value £
Investments —		
British Government 3 per cent National Defence Loan, 1954-58	1,260,000	
Do 3 per cent War Loan, 1955-59	1,640,000	
Do 2½ per cent Funding Loan, 1952-57	1,379,100	
Do 2½ per cent National Defence Bonds, redeemable 1941-48 by drawings	1,155,800	
Do 2½ per cent National War Bonds, 1951-53	750,000	
Do 2½ per cent National War Bonds, 1952-54	750,000	
Do 2½ per cent National War Bonds, 1949-51	400,000	
Total	7,334,900	7,499,912
Add—Uninvested (included in General Cash Balance)		88
Total	7,334,900	7,500,000

The securities are lodged at the Bank of England, by which the amounts of the holdings have been verified

Defence Reserve Fund	Cr. Rs.	1,05,00,005
Equalisation Fund Defence Services	Cr. Rs.	1,38,06,432

73 All operations on these Funds and the Renewals Reserve Fund Defence Services (see paragraph 86) have been suspended from 1st April, 1939 for the duration of the war in consequence of the financial arrangements reached between His Majesty's Government and the Central Government in respect of Defence Services.

Post Office Certificates Bonus Fund	Cr. Rs.	1,86,47,308
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74 This is composed of the following

	Cr. Rs.
Post Office Cash Certificate Bonus Fund	1,33,56,116
Post Office Defence Savings Certificate Bonus Fund	52,91,192
Total	1,86,47,308

Post Office Cash Certificate Bonus Fund This fund came into existence in 1930-31 to provide for accruing liability in respect of bonus on Post Office Cash Certificates, which under the system of accounting now in force is not shown under Section "O Unfunded Debt". The fund was built up by providing in the revenue budget under the head "22 Interest on Debt and Other Obligations Bonus on Post Office Cash Certificates" an amount sufficient to cover the calculated liability on account of bonus accruing during the year, the excess of the provision over the actual payment during the year being transferred to this fund by debit to revenue. When the actual payment during a year exceeds the provision in the budget for that year, the deficit is met by transferring the amount from the fund, that is, by debit to the fund and credit to revenue as reduction of charge under the service head mentioned above

The estimated accrued liability on account of Bonus on Cash Certificates remaining undischarged on the 31st March, 1946 amounted roughly to Rs. 4,20,67,111

Post Office Defence Savings Certificate Bonus Fund This fund has been created in the year 1942-43 on the lines of the Post Office Cash Certificate Bonus Fund. The estimated accrued liability on account of Bonus on Defence Savings Certificates at the close of the year 1945-46 amounted roughly to Rs. 50,93,475

Central Road Fund	Cr. Rs.	3,79,61,054
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75 The head has been introduced for the adjustment of the additional revenue derived from the enhanced duties on motor spirit as a result of the recommendation of the Indian Road Development Committee. From the money accumulating under this head, grants have been made to Provincial Governments and others for expenditure on any of the following objects, namely -

(i) on the construction of new roads and bridges of any sort,

(ii) on the reconstruction of substantial improvement of existing roads and bridges,

(iii) on the interest and amortisation of loans taken after the 21st April, 1934 but approved or sanctioned before the 5th March, 1937 and spent on the construction, reconstruction or substantial improvements of roads and bridges;

(iv) in special cases, on the maintenance of roads and bridges, constructed, reconstructed or substantially improved from the Road Account since 1930;

(v) in special cases, on the maintenance of roads and bridges constructed, reconstructed or substantially improved from loans approved or sanctioned by the Governor-General in Council after the 21st April, 1934, and

(vi) to meet charges including the cost of establishment connected with the control of motor transport and with the preparation of schemes of Road Development, or with the administration of Provincial Boards of Communications

This deposit head has also been debited with the cost of administering the Central Road Fund and the expenditure upon schemes for such research and intelligence and upon such special enquiries connected with roads and upon special grants-in-aid for such objects connected with roads as the Governor-General in Council has approved, these charges being met out of the portion constituting the reserve at the disposal of the Central Government. The amount at credit of this head on the 31st March, 1946, represents the undisbursed balance of the Central Road Fund held in deposit.

Sugar (Temporary Excise) Fund Cr. Rs. 2,15,65,839

76 The head has been opened in the accounts for 1943-44 to record the collections on account of duty realised under the Sugar (Temporary Excise Duty) Ordinance, 1943.

Fund for the Relief of Groundnut Cultivators Cr. Rs. 4,54,748

77. This fund was created during the year 1941-42 for the relief of groundnut cultivators. This fund receives credits on account of amounts passed on by His Majesty's Government representing rebates from shippers of groundnuts, equal to the difference between the buying price of His Majesty's Government and the current market price of groundnuts purchased in the Indian market. The fund is controlled by the Government of India in the Commerce Department and utilised for the benefit of general body of groundnut cultivators

Civil Aviation Fund Cr. Rs. 5,44,212

78 The amount equivalent to the additional duty on petrol consumed for aviation purposes is transferred as a block grant to this fund by debit to the head "44-Aviation Appropriation to Civil Aviation Fund". The actual expenditure met from this fund on account of grants-in-aid to flying clubs, and on the training of pilots, etc., is initially brought to account under "Special grants-in-aid from the additional tax on petrol consumed for aviation purposes" subordinate to the major head "44-Aviation", and is ultimately transferred to this fund by book adjustment at the end of the year

Panth Piploda Reserve Fund Cr. Rs. 15,603

Panth Piploda Reserve Fund Investment Account Dr. Rs. 14,938

79 *Panth Piploda Reserve Fund* This Fund was opened in 1939-40 to record the balance of annual contributions for supervision charges recovered from the Thakurs of Panth Piploda in excess of actual requirements. A portion of the fund was invested in Government securities and Postal Cash Certificates. The debit balance in the Investment Account represents the cost price of these investments. Interest realised on the investment is credited to the fund

Cotton Textile Fund Cr. Rs. 1,16,05,420

80 This fund was created out of the customs duty levied on all cloth and yarn manufactured in India and exported from British India under Ordinance No. XXXIV of 1944 with the object of supervising exports of cotton cloth and yarn and development of technical education, research, etc., in relation to the Cotton Textile Industry

The proceeds of duty are initially credited under "1 Customs" in the books of maritime Accounts Offices and Accountant General, Central Revenues (in respect of land customs deposited in Quetta treasury) and the net amount after deduction of refund and expenses of collection is transferred monthly to the fund under "Section P-Deposits and Advances Deposits not bearing interest Reserve Funds" by debit to the minor head "Transfer to Cotton Textile Fund" under the major head "43-Industries" Expenditure from the fund is adjusted directly against it

Coal Production Fund Cr. Rs. 98,10,172

81 The fund was created under the Ordinance No XXIX of 1944 for financing the activities for the improvement of production and distribution of coal and coke An excise duty of Rs 1/4/- per ton levied on all coke and coal despatched from collieries by rail in British India, was credited to the fund

Coal Mines Labour Welfare Fund Cr. Rs. 54,73,473

82 This fund was created during 1944-45 out of the proceeds of excise duty on coal levied under the Coal Mines Labour Welfare Ordinance, 1944 The expenditure in connection with the welfare of the coal mines labour is debited to the fund.

Fund for the Economic Development and Improvement

of Rural Areas Cr. Rs. 2,89,073

Fund for the Development of Civil Aviation Cr. Rs. 33,18,721

Fund for the Development of Broadcasting Cr. Rs. 11,58,500

Fund for Special Frontier Expenditure including Development Cr. Rs. 79,95,694

83 These Funds were created out of the revenue surplus which accrued to the Central Government at the close of the years 1934-35 and 1935-36 in order to finance certain measures of public utility

Fund for the Economic Development and Improvement of Rural Areas The amount at credit of this fund is intended for distribution to the Provinces and centrally administered areas for expenditure on schemes for the amelioration of the condition of the cultivators and rural classes

Fund for the Development of Civil Aviation This is intended for the development and organisation of air routes in India

Fund for the Development of Broadcasting It provides a reserve for constructing a large transmitting station in Delhi and ultimately a similar new station at Madras, for improving and extending the existing stations at Calcutta and Bombay and provision of transmitters and receiving centres at other stations in India

Fund for Special Frontier Expenditure including Development This is intended for the construction of roads in tribal areas in the North-West Frontier Province and for various schemes of economic development in those areas

Fund for the benefit of Cotton Growers Cr. Rs. 1,09,44,636

84 This fund was created during the year 1941-42 out of the additional import duty imposed on raw cotton by Ordinance No VIII of 1942 Expenditure from the fund will be on account of cost of purchases of cotton and for other measures undertaken by the Central Government for the benefit of cotton growers in India

Depreciation Reserve Fund Government Presses Cr. Rs. 14,77,479

85. This reserve fund is credited with depreciation calculated on the depreciated value of the plant, machinery and furniture in use in Government of India presses as also with the residual book value of plant, machinery and furniture disposed of during the year Appropriations from the reserve are made to meet the cost of replacement of plant, machinery, etc Acceptance of balances are awaited in two cases.

Renewals Reserve Fund Defence Services

Cr. Rs. 13,88,890

86 The details are as follows

Military Accounts Officers on whose books the balances are borne (1)	Name of the Fund				Medical Store Depots and Work-Shops (5)	Total. (6)
	Army Ordnance and Clothing Factories (2)	Dairy Farms (3)	Grass Farms (4)			
	Rs	Rs	Rs	Rs		
North Western Army, Rawalpindi		35,902	1,09,912			Rs 1,45,214
Military Accounts and Pensions, Lahore		50,737	85,664		528	1,36,929
Southern Army, Poona		1,26,653	64,976		49,472	2,41,101
Central Command, Meerut		1,64,601	—38,266			1,26,335
Army Factory Accounts, Calcutta	7,39,311					7,39,311
Total	7,39,311	3,77,293	2,22,286	50,000		13,88,890

These reserves were established with the approval of the Secretary of State with the object of setting aside a certain sum annually to cover the wastage of capital assets such as plant, buildings and live and dead stock, in use in the quasi-commercial undertakings of the Army, and so to maintain their efficiency.

As stated in paragraph 73, all operations on these funds have been suspended from 1st April, 1939 for the duration of war in consequence of the financial arrangement reached between His Majesty's Government and the Central Government

Fund for payment of bonus to temporary clerical personnel

under the scheme of unified scale of pay Cr. Rs. 26,14,088

87. The balance is composed of the following

	Cr. Rs
Central Revenues	21,89,027
Railways	2,420
Posts and Telegraphs	4,22,641
Total	26,14,088

The above fund was instituted to provide from the revenues for the accruing liability on account of the bonus admissible to the temporary clerical staff under the scheme of unified scale of pay

Fund for India's Contribution to the United Nations Relief

and Rehabilitation Administration Cr. Rs. 5,45,26,023

88 The fund was established for the organisation of relief and rehabilitation measures in the interest of the war afflicted areas. With effect from 1945-46 a deposit account was opened and the actual expenditure was debited direct to the fund. The account of the fund is administered by the Ministry of Commerce.

(B) OTHER DEPOSIT ACCOUNTS

89. This account is sub-divided into the following heads

	Dr	Cr
	Rs	Rs
Deposits of Local Funds	(a) 5,86,345	1,14,02,615
Deposits of Branch Line Companies		—76,840
Departmental and Judicial Deposits—		
Civil Deposits	(b) 1,245	27,34,12,726
Other Deposits		32,74,15,308
Other Accounts		1,04,18,55,210
Transactions connected with the War, 1939		28,85,28,230
Total	5,67,590	1,94,25,37,155

(a) Represents investment in securities out of the balance under "Depreciation Reserve Fund, Virapapatnam Port" in Madras *vide* paragraph 91

(b) Represents investment in the Post Office Savings Bank out of the balance under "Public Works Deposits" in the Punjab *vide* paragraph 100.

Deposits of Local Funds

90 The details are .—

Cr. Rs. 1,14,02,515

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

Funds	Central Revenues	Baluchistan	Madras	Bombay	Bengal	United Provinces	Punjab	Bihar	Central Provinces and Berar	Assam	North West Frontier Province	Coorg	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
District Funds	1,67,234												54,198
Municipal Funds	32,159		4,25,767										2,21,432
Canalton Funds	1,82,417												16,637
Town and Bazaar Funds	5,647		3,34,487										4,74,553
Port and Marine Funds				40,185	1,43,653	61,180	1,83,224	83,527	73,243		78,690		8,36,019
Depreciation Reserve Fund, Vizagapatam Port								2,742		1,03,616	53,321		5,01,813
Education Funds													49,80,766
Medical and Charitable Funds													5,68,145
Other Miscellaneous Funds	33,54,702												350
													1,93,800
Total	37,54,118	7,60,244	65,23,895	3,87,225	1,35,665	1,83,224	86,260	1,82,251	73,243	1,05,616	1,31,911	78,854	1,14,02,515
													36,25,587

(a) This represents gross balance out of which a sum of Rs 66,345 has been invested in securities under note against " Depreciation Reserve Fund, Vizagapatam Port", under paragraph 91 below

91 These are cash balances in the current accounts of local funds and other local authorities which are permitted to use the Government treasuries as their banks. Each fund has an administrator, either a public officer or a committee, and the verification consists, firstly, in reconciling the figures as between the broadsheets which are posted from the treasury *plus* and *minus* memoranda and the ledger and, secondly, in ascertaining how far the administrator accepts the balance standing at his credit on the Government books.

District Funds Acceptance certificates are awaited in Central Revenues.

Municipal Funds Acceptance certificates are awaited in Baluchistan.

Cantonment Funds Acceptance certificates are awaited in Central Revenues and in three cases in Bombay and one case in the United Provinces.

Town and Bazar Funds Acceptance certificates are awaited in Baluchistan.

Port and Marine Funds The balances have been verified.

Depreciation Reserve Fund, Vizagapatam Port The balance under this fund is the gross balance, out of which Rs 5,66,345 has been invested in securities.

Education Funds and Medical and Charitable Funds The balances have been verified.

Other Miscellaneous Funds Acceptances of balances are awaited in Central Revenues.

Deposits of Branch Line Companies Cr. Rs. **76,840**

92 The balance under this head is the net amount of the deposits with the Government made by branch line companies for capital expenditure on their lines

The details are

Railways	Cr Rs	Railways	Cr Rs
Ahmedabad Parantij	1,267	Mymensingh Bhairab Bazar	3,678
Baripada Talband	1,011	Peralam Karaikkal	286
Central Provinces and Pulgaon Arvi	17,344	Mandra Bhaun	—1,04,865
Cooch Behar	2,258	Quilon Trivandrum Extension	12,932
Cochin Harbour	613	Pondicherry	702
Pachora Jamner	12,741	Khulna Bagerhat	8,436
Sialkot-Narowal	1,450		
		Total	—76,840

The above balance (*viz*, minus Rs 76,840) agrees with that shown in the books of the Companies except on the North Western Railway. The minus figure is mainly on account of the minus balance of Rs 104,865 in respect of the Mandra Bhaun Railway Company (N. W Railway), owing partly to wrong adjustments in Government accounts. This has been set right in the accounts for 1946-47.

Civil Deposits

93. The transactions brought to account under this head relate mainly to
behalf of members
The following

Cr. Rs. 27,34,12,726

sums deposited with Government in the daily course of public business by or on
of the public
are the details

Punjab (11)	Bihar (12)	Central Provinces and Berar (13)	Assam (14)	North West Frontier Province. (15)	Orissa. (16)	Sind. (17)	Coorg (18)	Total (19)
Rs. 2,99,416	Rs. 2,22,676	Rs. 1,93,187	Rs. 2,35,709	Rs. 1,64,728	Rs. 5,020	Rs. 8,29,706	Rs. 1,15,103	Rs. 1,33,12,943
5,12,654	1,86,704	2,32,726	40,80,042	13,28,580	3,138	15,10,093	32,833 11,865	10,82,038 11,58,70,248
				35,917				35,917
(a) 16,485	8,760	4,69,931		26		2,446		19,41,476
							76,110	2,68,53,003
								3,15,24,887
								19,13,443
4,722	45	18,777					1,051	2,34,248
						2,584		2,39,481
								32,818
72		912				6,865		28,843
						48,305		1,34,787
								41,009
					..			2,98,700
			732	19	506	..	..	88,815
								—39,848
								1,58,118
								—516
								—18,545
								2,66,455
8,903						..		8,918
								25,50,884
					..	..		1,27,171
						..	35,016	35,016
..		40,240			76,814			1,16,654

(a) It represents gross balance out of which Rs. 1,245 has been invested in Post Office Savings Bank.
Vide paragraph 109.

Heads (1)	Central Revenues (2)	Supply Accounts, (Civil) (3)	Food Accounts (4)	Ameri- can Pur- chase (5)	B luchi- tan (6)	Madras (7)	Bombay (8)	Bengal (9)	United Provin- ces (10)
Repatriation De- posits	Rs 15,594	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Deposits on ac- count of revenue collected on be half of H.H the Khan of Kalat					40,507				
Deposits of mo- ney received for H. E the Viceroy's War Purposes Fund	5,070						22,547	8,375	
Deposits on acco- unt of mo- ney received for Indian Red Cross Society and St John Ambulance As- sociation						1	29,792	5,291	
Deposits for work done for In dian States, public bodies or private in dividuals									
Deposits of De- fence Loans	46,62,054					5,25,03,053	71	9,98,441	4,50,706
Deposits on accou- nt of money rece ived for St Dun stan's Hospital for blinded sol diers, sailors and airmen									
Companies Liq- uidation Accounts	30,968					2,38,992	3,54,781	10,92,944	2,094
Provident Socie ties Liq- uidation Account	17,217						54	16	
Deposits obtained for lease/ lend Stores				3,78,176					
Deposits obtain- ed on non lease/lend (im ported) Stores				34,40,716					
Deposits for wholly lease/lend Stock				691					
Deposits against dollar payments made by the Bri tish Purchasing Commission, America				—21,068					
Deposits on accou nt of undisbursed pay of Govt ser vants falling in to enemy hands									
Deposits in con nection with the purchase of Egyp tian Cotton								152	
Undisbursed amo unt of the pay of Civil Pioneer Force									
Deposits on accou nt of train ing of Techai ians in U S A							8,400	34,400	
Total	3,37,77,306	3,99,92,175	13,18,442	87,98,515	25,29,030	6,38,12,008	2,60,81,479	7,90 14,826	61,37,722

FINANCE ACCOUNTS, CENTRAL GOVERNMENT

133

Deposits. *concl'd*

Punjab (11)	Bihar (12)	Central Provinces and Berar (13)	Assam. (14)	North West Frontier Provinces (15)	Orissa (16)	Sind (17)	Ors (18)	Total (19)
Rs	Rs	Rs	Rs	Rs	Rs	Rs 20,717	Rs	Rs 36,311
								40,507
49,062	11,470	18,377	5,240	15		4,597	21,805	1,46,567
35,392	8,099	938					37	79,551
2,45,529	24,96,687	4,50,119	8,05,060	45,161		13,220		1,569
100				..			3,434	3,920
308				30		5,59,797		22,88,914
..								17,286
..								3,78,176
..								34,40,716
..								691
..								—21,068
..								152
..								84,67,263
26,972								26,973
..				..				42,800
11,99,598	29,34,341	14,20,338	55,85,970	15,74,963	84,472	30,06,880	2,98,913	27,34,12,726

94 Revenue, Civil and Criminal Courts' Deposits are not kept distinct in the North West Frontier Province, where the whole of the civil work (revenue, judicial and criminal) is in charge of the same Deputy Commissioner. A similar arrangement is also in vogue in some of the districts in the Punjab.

There are two entirely different systems of deposit accounts. The first may be called the detailed plan, in which every receipt is treated as a separate item and every payment charged against some particular receipt. The second is the ledger plan, that is, a running account is kept of receipts and payments on some particular account (an estate, an institution, etc.). For every Ledger Account there is an "Administrator", the person authorised to pay money into the treasury or draw it out. Deposits kept on the latter plan are termed Personal Deposits.

The verification of the balance on the first plan is as follows:

The receipts and payments, which are recorded in detail in deposit registers are posted monthly by totals into a proof sheet which provides columns for recording the repayment of deposits credited in the same year and in each of the three preceding years. At the end of the year, balances are struck upon the proof sheet separately for the different districts for each of the four years. The balance of the first year is usually written off the deposits account, as all balances unclaimed for more than three complete account years are ordinarily credited to Government. The aggregate balance on the proof sheet is then agreed with the balance on the general books of the class of deposits concerned and finally reconciled with the *plus* and *minus* memorandum received from treasuries or, where necessary, with the account received from Civil and Criminal Courts. The verification of the ledger form of deposit account consists mainly in agreeing the balance with that claimed by the administrator.

Revenue Deposits	Cr. Rs. 1,33,12,943
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95 There are mainly deposits made in Revenue Courts or in connection with the revenue administration. They also include earnest money deposits made by intending tenderers for contracts, etc., in the Civil Departments. Deposits on account of Civil and Criminal Courts in the North-West Frontier Province are also included under this head.

The discrepancies between the ledger and broadsheet balances have been settled except Rs 3,133 in Central Revenues, Rs 3,74,790 in Madras, Rs 120 in Bengal, Rs 14,870 in the United Provinces, Rs 16,260 in the Punjab and Rs 55,909 in Bihar.

Civil and Criminal Courts' Deposits	Cr. Rs. 10,82,033
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96 The ledger balance has been verified in accordance with the prescribed rules. The differences between the ledger and broadsheet balances have been settled except Rs 73 in Central Revenues, Rs 360 in Baluchistan and Rs 3,081 in Madras.

Personal Deposits	Cr. Rs. 11,58,70,248
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97 The transactions recorded under this head are of the nature of a banking deposit account. It has been certified that (i) personal ledger accounts were properly operated upon and none of them was overdrawn and (ii) that no such account was opened during the year except with the sanction of the competent authority. Certificates of acceptance of balances are awaited in some cases in Central Revenues, eight cases in Baluchistan, thirty-one cases in Madras, seventy-four in Bombay, thirty seven in the United Provinces, fifty-one in Bengal, ninety-one in the Punjab, fifty-three in North-West Frontier Province and twenty-eight in Assam. The discrepancies between the ledger and the proof sheet balances have been settled except Rs 6,50,462 in Baluchistan, Rs 14,479 in Madras, Rs 10,27,478 in Bengal, Rs 51,234 in the United Provinces, Rs. 1,61,106 in the Punjab, Rs. 28,704 in Bihar and Rs 14,011 in Central Provinces.

Political Agents' Deposits Cr. Rs. 35,917

98. This deposit head is intended for the record of receipts coming into the hands of the Political Agents and Deputy Commissioners in the North-West Frontier Province administering tribal areas for disbursement to tribes, which prior to the abolition of certain irregular funds, were kept out of Government accounts

Shipping Masters' Deposits Cr. Rs. 19,41,476

99. The deposits of unpaid wages of discharged seamen, wages and effects of deceased seamen and unclaimed wages and deposits of seamen not deceased are recorded under this head. The balance in Bombay is under verification.

Public Works Deposits Cr. Rs. 2,68,53,003

100. The cash deposits from subordinates and contractors as security, deposits for works to be done for private persons and public bodies, sums due to contractors on closed accounts and unclassified items of miscellaneous receipts awaiting clearance are adjusted under this head. The amount represents the gross balance out of which a sum of Rs 1,245 in the Punjab has been invested in the Post Office Savings Bank.

The difference of Rs 11,057 between the ledger and the broadsheet balances in the Punjab is under reconciliation. The difference of Rs. 20,260 in Baluchistan is under settlement.

Supply Department Deposits Cr. Rs. 3,15,24,867

101. The balance represents the amount deposited by private indents for purchase of stores under Lease/Lend arrangements. The difference of Rs 56,32,421 between the ledger and the broadsheet balances is under settlement

Food Department Deposits Cr. Rs. 13,13,442

102. It represents (i) amounts deposited by contractors as security deposits and (ii) share of surcharge levied on food grains which is payable to agents

Trust Interest Funds Cr. Rs. 2,34,243

103. The balance under this head represents mainly the amount of the interest payment orders issued in connection with the payment of interest on Government securities held in trust and remaining unpaid on 31st March, 1946. The difference between the ledger and broadsheet balances amounting to Rs 159 in Central Revenues, Rs. 260 in Madras and Rs 37 in Coorg are under settlement

Deposits of the Tea Cess Fund Cr. Rs. 2,39,431

104. The customs duty levied and collected on all tea produced in India and exported from any customs port to any port beyond the limits of British India under the Indian Tea Cess Act (IX of 1903) and payments made to the Indian Tea Market Expansion Board on that account are recorded under this head

Deposits of the Lac Cess Fund Cr. Rs. 32,818

105. This head embraces receipts on account of customs duty levied under the Indian Lac Cess Act (XIV of 1921) and payments thereof to the Indian Lac Association for research. The credits are subsequently passed on to the accounts of the Committee or Board constituted for the purpose through the Reserve Bank of India.

Deposits of the Cotton Cess Fund Cr. Rs. 28,848

106. Under this head are recorded the receipts in respect of cess levied and collected on all cotton produced in India and either exported from any customs port to any port outside British India or consumed by any mill in British India under the Indian Cotton Cess Act (XIV of 1923) and payments thereof to the Cotton Cess Committee

Deposits of the Cocoanut Cess Fund Cr. Rs. 1,34,787

107. This head records the excise duty levied and collected as a cess under the Indian Cocoanut Committee Act, 1944 on all copra consumed in any mill in British India, whether produced in or imported from outside British India, and payments thereof to the Committee for the purpose of improvement and development of the cultivation and marketing of cocoanut oil, etc.,

Deposits of the Coffee Cess Fund Cr. Rs. 41,009

108. The cess collected under the Indian Coffee Cess Act (XIV of 1935) on all coffee produced in India and taken by sea or land to any place beyond the limits of British India for the promotion of the cultivation, manufacture and sale of Indian coffee and payments thereof to the Coffee Cess Committee are recorded under this head

Indian Research Fund Cr. Rs. 2,98,790

109. This head is intended to record the transactions of the Indian Research Fund Association. Under Central Revenues, the amount includes the balances under the sub-heads viz., (i) Indian Research Fund Association (Rs 2,24,450) and (ii) Indian Research Fund Association Contributory Provident Fund (Rs 73,878). Acceptance certificates are awaited. A difference of Rs 39,408 between the ledger and broadsheet balances is under settlement. The Difference under (ii) is under investigation.

Unclaimed Provident Fund Deposits Cr. Rs. 38,815

110. The balance represents the amounts in the General, Contributory and Defence Savings Provident Funds remaining unclaimed for a period exceeding six months after they become payable under the rules. These unclaimed amounts are transferred to this head at the end of each year

Deposit Account of Railway Freight for Kharagoda Salt Cr. Rs. —29,843

111. The money received from contractors in respect of removal of salt from Kharagoda is credited to this head and the debits raised by the Railways on account of freight charges are met from these credits.

Deposits on account of Police Fund Cr. Rs. 1,53,113

112. Acceptances of balances are awaited

Nushki Chanda Fund Cr. Rs. 516

113. The debit balance is under settlement with the Administrator of the Fund.

Deposits of fees received by Government Servants for work done for private bodies Cr. Rs. 13,545

114. Fees received by Government servants for work done for private bodies of which a share is payable to the Government servants concerned are credited to this head in the first instance and subsequently adjusted.

Deposit Account of Passage

money of Haj Pilgrims .. . Cr. Rs. 2,66,455

115. The debit balance under the head relating to Bombay has been cleared in the accounts for 1946-47 and the balance is under adjustment.

Deposits on account of money received on account of

the King Emperor's Anti-Tuberculosis Fund . Cr. Rs. 8,918

116 This deposit head accommodates receipts at treasuries on account of the King Emperor's Anti-Tuberculosis Fund pending remittance to the authorities concerned

Deposits of the surplus estates of deceased officers,

deserters and others of the Indian Army .. Cr. Rs. 25,50,804

117 The balance agrees with that in the separate register maintained for the purpose except Rs 2,063 which is under settlement.

Security Deposits from Film Exhibitions Cr. Rs. 1,27,171

118. The balance under this head represents the security deposits received by the Information Films of India from various Exhibitors in India.

Coorg Soldiers' benevolent fund . Cr. Rs. 35,016

119. The Fund has been constituted to provide financial relief to the ex-members of the Defence Forces of all ranks and their dependants.

Deposits of Record Offices for civil

Labour Units Cr. Rs. 1,16,554

120. The amount represents the unspent balance in respect of the money received from the employing agencies for remittances of family allotment and repatriation expenses, etc, of the labourers.

Repatriation Deposits Cr. Rs. 36,311

121 This is a temporary minor head opened to accommodate deposits from the British Indians residing in Iraq

Deposits on account of revenue collected on behalf of

H. H. the Khan of Kalat Cr. Rs. 40,507

122 The balance has been verified Certificate of acceptance is awaited.

Deposits of money received for His Excellency the

Viceroy's War Purposes Fund . Cr. Rs. 1,46,567

123 The contributions to the Viceroy's War Purposes Fund are credited to this head pending remittance to the administrator of the fund The discrepancies of Rs 2,254 in the Punjab and Rs 10,926 in Bihar are under settlement

Certificates of acceptance of balances are awaited in forty cases in the Punjab and in eleven cases in Bihar.

Deposits on account of money received for Indian Red

Cross Society and St. John Ambulance Association Cr. Rs. 79,551

124 The accounts mentioned in this paragraph and in paragraph 119 were opened for the reception of contributions towards these funds at places where there are no branches of the Imperial Bank of India The discrepancy of Rs 40,774 in Bihar between the ledger and proof sheet balances is under settlement Certificates of acceptance of balances are awaited in twenty-five cases in the Punjab and in four cases in Bihar.

Deposits for work done for Indian States, public bodies or private individuals Cr. Rs. 1,569

125 The sums received in advance from municipalities or other bodies financially independent of Government for payment of compensation for land acquired for them as well as amounts deposited by Indian States for survey work to be done by Government officers in the States are credited under this sub-head

Deposits of Defence Loans Cr. Rs. 6,22,66,101

126 The cash credits on account of Defence loans are adjusted under a deposit head pending their adjustment in the books of the Accountant General, Central Revenues, under the respective loan heads under "Section N" after reconciliation of the amount reported by the Bank with the corresponding amounts brought to account in Government books.

The entire balance is being cleared in the accounts for 1946-47.

Deposits on account of money received for St. Dunstan's Hospital for blinded soldiers, sailors and airmen Cr. Rs. 3,920

127 The balance has been agreed with that in the proof sheet.

Companies Liquidation Accounts Cr. Rs. 22,88,914

128 This head has been opened for unclaimed dividends or undistributed assets pertaining to the Companies in official or voluntary liquidation under the Indian Companies Act remaining unclaimed for a period of six months

The differences between the ledger and the proof sheet balances amounting to Rs. 1,867 in Madras, are under adjustment in the accounts for 1946-47.

Provident Societies Liquidation Account Cr. Rs. 17,288

129 The deposits received by the Superintendent of Insurance from the Liquidator of Provident Societies under the Insurance Act of 1938 are recorded under this head

Deposits obtained for lease/lend stores Cr. Rs. 3,78,176

130 This head embraces deposits by private indentors for stores purchased for them under the lease and lend arrangement

Deposits obtained on non-lease/lend (imported) stores Cr. Rs. 34,40,718

131 The balance represents deposits received from private parties for stores purchased from overseas countries.

Deposits against dollar payments made by the British Purchasing Commission, America Cr. Rs. 21,068

132 This head is intended to record payments for purchases of steel imported from America prior to August, 1943. The debit balance is due to the fact that certain debits have yet to be passed on to the parties concerned to whom American steel has been supplied after tracing the stores. Steps have been taken to clear the entire debit balance in the accounts for 1946-47.

Deposits on account of undisbursed pay of Government servants falling into enemy hands Cr. Rs. 152

133 It represents the undisbursed pay of certain staff of the Rangoon Light House who fell into enemy hands.

Deposits in connection with the purchase of Egyptian Cotton	Cr. Rs.	84,67,263
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134. This head accommodates the deposits made by the various mills into the Reserve Bank of India on account of approximate price of cotton allocated to them.

Undisbursed amount of the pay of Civil Pioneer Force	Cr. Rs.	26,973
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135 The credit balance under the head represents residual balance on account of undisbursed pay of the members of the Civil Pioneer Force

Deposits on account of training of Technicians in U.S.A.	Cr. Rs.	42,800
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136 The amount deposited by various trainees on account of training and other expenses in the United States of America are credited under this head.

Other Deposits	Cr. Rs.	32,74,15,308
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137. These comprise the deposits on the books of the Non-Civil Accounts Officers, the details of which are as follows

	Cr Rs		Cr. Rs
Posts and Telegraphs Deposits	.. 2,12,13,827	Indian Government Railways	
Defence Services Deposits	24,09,83,297	Deposits	6,05,70,591
		Trust Interest Account (Railways)	22,230
Deposits for payment of Special Contribution to Provident Fund, etc , to staff of late B & N W and R K Railway Companies			46,25,363
		Total	32,74,15,308

Posts and Telegraphs Deposits	Cr. Rs.	2,12,13,827
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138 The details are :

Dead Savings Bank Accounts	2,13,21,292	Unclaimed Savings Bank Deposits of less than Rs 2.	10,11,535
Unclaimed Provident Fund Deposits.	1,90,305		
Trust Interest Accounts	8,103	Other Items	66,69,572
Foreign Money Orders.	—80,54,713.		
Deposits on account of undisbursed pay of officers and men falling into enemy hands	67,733	Total	2,12,13,827

Dead Savings Bank Accounts Savings Bank Accounts in which no transactions have taken place for a specified period are transferred to a separate ledger called "Dead Savings Bank Ledger". The amount outstanding therein does not lapse to Government but is retransferred to the current Savings Bank Ledger when the account is revived on the application of the depositor.

Unclaimed Provident Fund Deposits The balance under this head represents the amounts in the Provident Funds remaining unclaimed for a period exceeding six months after they become payable under the rules. These unclaimed amounts are transferred to the head "Deposits" at the end of each year.

Trust Interest Accounts The balance represents the interest on Government securities held on behalf of Posts and Telegraphs employees and contractors remaining unpaid at the close of the year under report.

Foreign Money Orders The debit balance represents net transactions on account of money orders exchanged with foreign countries

Deposits on account of undisbursed pay of officers and men falling into enemy hands The balance represents the net amount of pay due to Government servants falling into enemy hands which are adjusted every month by debit to the appropriate revenue heads of accounts after allowing for family allotments and fund deductions, if any, and *per contra* credit to the deposit head mentioned above.

Unclaimed Savings Bank Deposits of less than Rs. 2 Due to certain amendments to the savings bank rules with effect from 1st August, 1940, the savings bank accounts having balances of less than Rs 2 on 31st July, 1940, have been treated as dead and the balances remaining unclaimed have been transferred at the end of 1940-41 to this minor head specially opened for the purpose Any future claims of the depositors of these accounts will be met from the balances outstanding under this head The difference of Rs. 5 between the ledger and the subsidiary register balances is under settlement

139 *Other Items.* The balance is composed of:

	Cr. Rs		Cr. Rs
Fixed Deposits	9,97,363	Indian Postal Orders	.. 3,53,417
Trunk Call Deposits ..	20,952	Miscellaneous ..	52,97,840
		Total ..	66,69,572

Fixed Deposits The balance under this head includes deposits made by firms, presses and other bodies and individuals for telegrams sent on the Deposit Account System Under this system a deposit of an amount approximately equivalent to the cost of telegrams for a specified period is made by the parties concerned and the telegrams sent daily are accepted by the Telegraph Offices without prepayment. The actual cost of the telegrams sent during a period is recovered by the department by presentation of bills The deposit thus serves as a security against acceptance of telegrams without prepayment Under this head are also included deposits made by holders of Post Boxes for locks and keys supplied to them. These deposits are paid back to the parties when the service ceases

Trunk Call Deposits Telephone subscribers who are not Government officials, used to be required to make a deposit to enable them to make calls over the Trunk Telephone lines from their telephones. This system has, however, been suspended as an experimental measure from the 1st October, 1936 except in certain special cases and the deposits held at the time are being adjusted against trunk call bills. The amount represents balance of these deposits at the end of the year under review.

Indian Postal Orders The balance represents the difference between receipts and payments in respect of Indian Postal Orders issued during 1945-46.

Miscellaneous. The balance under this head is made up of a number of miscellaneous accounts such as excess credits in the cash accounts, miscellaneous deposits not coming under any other category, balance of British penny postage stamps held in stock, short payments or recoveries of wrong payment of money orders, customs duty on foreign mail parcels, defence savings stamps, fine fund, cash certificates short payments, etc, and undrawn pay of officers and men in the field Under "Posts and Telegraphs deposits", a sum of Rs 223 involving 211 cases was written off during the year under report.

Defence Services Deposits

Cr. Rs. 24,09,83,297

140. The particulars are detailed below.

Military Accounts Officers on whose books the balances are borne	Security Deposits	Unclaimed Provident Fund Deposits.	Field Deposits.	Trust Interest Account	Miscellaneous	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rs	Rs.	Rs.	Rs	Rs.	Rs
North Western Army, Rawalpindi	3,28,307			6	6,82,550	10,10,863
Military Accounts and Pensions, Lahore	10,04,055	97,538	-3,017	808	19,11,783	30,11,167
Southern Army, Poona	35,30,207		44,590	51	74,44,634	1,10,19,482
Eastern Command Meerut	7,30,900		11,71,755	4	3 38 710	22,41,369
AI. Forces, Dehra Dun					34,020	34,020
Army Factory Accounts, Calcutta	2,83,207	15,293		-851	6,623	3,04,272
Naval Accounts, Bombay	67,972	9,265	18,01,004		5,51,796	24,30,037
Supply Accounts, Defence, Delhi	46,18,477				11,09,935	57,28,412
Field Accounts Poona	115		-2,17 146		3,86 817	1,69,786
Military Accounts, Patna	1,03 78 781				18 42,262	1,22,21,043
British Troops Accounts, Meerut					-10,444	-10,444
Field Accounts (O R) Ambala	21,508		20,28,01,782			20 28 23,290
Total	2,09,63,529	1,22,096	20,55,98,968	18	1,42 98,686	24,09,83,297

Security Deposits The balances under this head represent mainly the security deposits received in cash from contractors and others by the officers of the Defence Department. A difference of Rs. 2,200 under Supply Accounts (Defence) is under reconciliation.

Unclaimed Provident Fund Deposits The balance represents the amounts credited to the General Provident Fund and other Miscellaneous Provident Funds of the employees of the Defence Department but remaining unclaimed for a period exceeding six months.

Field Deposits The balances represent the net result of credit and debit balances standing to the credit of officers and personnel serving overseas on War System of Accounting. The minus figure under Military Accounts and Pensions is being adjusted in the accounts for 1946-47.

Trust Interest Account The balances under this head represent the undisbursed amount of interest due to contractors on their deposits.

Miscellaneous The balances under this head include (i) outstanding credits pertaining to unadjusted amount of sale of coupons in Dairy Farms, (ii) amounts due to contractors on closed account, (iii) closing balances of stock purchases, (iv) deposits of contribution works to be done for local bodies, etc., (v) earnest money deposits, (vi) imprest cash advances made by the Air Ministry Pay Masters to Indian Forces Overseas, (vii) treasure chest deposits and (viii) other miscellaneous deposits.

Indian Government Railways Deposits Cr. Rs. 6,05,70,591

141 The details are ~

Classified Heads (1)	Indian Government Railways, Capital (2)	Indian Government Railways, Revenue (3)	Total (4)
	Rs	Rs.	
1 Security deposits of subordinates	34,070	11,66,889	12,00,959.
2 Security deposits of contractors and others	9,38,928	1,31,35,267	1,40,77,195.
3 Deposits for work for private persons and public bodies	51,813	31,31,852	31,86,665.
4 Unpaid wages	1,00,438	26,15,663	27,16,101.
5 Sums due to contractors on closed accounts		6,02,021	6,02,021.
6. Net earnings on worked lines		88,23,762	88,23,762
7 Private companies		11,75,076	11,75,076
8 Miscellaneous	15,17,680	2,72,69,332	2,87,87,012
Total	26,45,929	5,79,24,662	6,05,70,591

142 *General Remarks* The balance under "Private Companies" is under-clearance. Acceptances of parties concerned have been received except on Bengal, Assam, the Bengal Nagpur, the East Indian and the North Western Railways. The reconciliation of balances with the General books has been completed on all Railways, and a few items of irregular balances are still under investigation.

Five cases of misclassification detected during test audit have resulted in a net excess credit of Rs 14,38,736

Trust Interest Account (Railways) .. Cr. Rs. 22,230

143 The balance under this head represents interest received on the Government Promissory notes of the contractors, which was not paid to them before the close of the year under report. The amount is being cleared in the accounts for 1946-47.

Deposits for payment of Special Contribution to Provident Fund, etc. to the staff of late B. and N. W. and R. K. Railway Companies .. Cr. Rs. 46,25,363

144 This fund was instituted during the year under review. The balance under this head represents recoveries made from the late B and N W and R K. Railway Companies under Ordinance No LXVII of 1942 on account of Special Contribution to Provident Fund, gratuities, leave salaries and cost of overseas passages on the transfer of services of staff under Government consequent on the taking over of the management of these Railways. The balance under this head will be cleared as and when the liabilities assumed by Government under the ordinance are discharged.

Other Accounts

145. The details of the balances in the various deposit accounts under this

Name of Deposit Account	Central Revenues (1)	Balu-chistan. (2)	Madras (3)	Bombay (4)	Bengal (5)	United Provinces. (6)	
Subventions from Central Road Fund	Rs 13,34,086	Rs. 5,33,024	Rs. ..	Rs. ..	Rs. ..	Rs. ..	Rs. ..
Deposit account of grants for economic development and improvement of rural areas	1,042	71	..	..	..	..	..
Deposit account of the grant made by the Imperial Council of Agricultural Research	23,924	11,008	..	..	..	..	..
Deposit account of grants from the Central Government for the development of handloom industries	16,730	..	..	..	..	..	..
Deposit account of the Dangs	..	..	..	..	17,46,630	..	..
Deposit account of Excess Profits Tax refundable to assessee under the Indian Finance Act, 1942	20,18,31,237	..	..	..	..	..	..
Account of payment in respect of provisional assessment of Excess Profits Tax made under Section 14 A of the Excess Profits Tax Act, 1940	—58,02,446	1,28,871	1,77,02,379	12,24,91,696	11,82,59,732	1,97,00,070	
Deposit account of interest on Excess Profits Tax Deposits	1,25,57,250	..	..	..	..	..	..
Deposit account of Central Surchaule funded for the benefit of assessee under the Indian Finance Act, 1942	1,13,66,631	..	..	..	..	..	..
Deposit of Eastern State Joint Police contributory Provident Fund						1,160	..
Deposit account of the grants made for the benefit of cotton growers	946	..	..	..	..	..	..
Deposit accounts of the grants made by the Indian Central Cotton Committee		4,057	..	..	..	..	..
Deposit account of the grants made by the Indian Sugarcane Committee	—28,785	..	..	..	..	..	..
Deposits in connection with the purchase of Egyptian Cotton	—13,134	..	..	..	12,89,20,357	..	..
Deposit account of Khasi Hill States							..
Deferred pay to Indian Troops							..
Post War Reconstruction Fund							..
Deposits on account of His Majesty's Government Village Collective Savings Account					—2,20,239		
Balance of Coorg							
Deposits in connection with the purchase of East African cotton		..			8,173		
Deposits in connection with the purchase of Sudan cotton		..			6,09,55,189		
Total	22 13,11,690	6,77,031	1 77,02,379	31,39,01,806	14,82,60,892	1,97,00,070	

.. Cr. Rs. 1,04,18,55,210

head are as follows :

Punjab	Bihar	Central Province and Berar (10)	Assam	North West Frontier Province (12)	Orissa	Coorg	Defence.	Total.
(8)	(9)	Rs	Rs	Rs	Rs	Rs	Rs	(10)
				Rs 39,076				Rs. 19,08,186
..	1,113
..	34,932
..	16,730
..	17,46,630
..	20,18,81,237
42,47,541	4,79,623	74,86,387	14,75,175	1,55,946	93,770	..	..	31,64,18,744
..	1,25,57,250
..	1,18,63,631
..	1,160
..	940
..	4,057
..	—28,785
..	2,44,938	..	..	..	..	13,89,07,823
..	2,44,938
..	16,61,70,237
..	13,63,66,049
..	—2,30,339
..	24,209
..	35,43,200
..	8,173
..	6,09,55,189
42,47,541	4,79,623	74,86,387	17,19,513	1,95,022	93,770	35,43,200	30,25,36,286	1,04,18,55,210

Subventions from Central Road Fund Cr. Rs. 19,06,186

146 This head is credited with subventions made from the Central Road Fund to Minor Administrations under the Central Government and in the tribal areas in the North-West Frontier Province for expenditure on approved schemes of road development and other objects mentioned in paragraph 75 and is debited with the expenditure met from these grants. The balances under this head represent the amounts of the allotments from the Central Road Fund not spent on road development schemes, etc., to end of the year

Deposit account of grants for economic development and improvement of rural areas Cr. Rs. 1,113

147 The above head is credited with grants from the Fund for the Economic Development and Improvement of Rural Areas, to centrally administered areas to be spent on schemes for the amelioration of the conditions of the cultivators and the improvement of rural areas

Deposit account of the grant made by the Imperial Council of Agricultural Research Cr. Rs. 34,932

148 This head records transactions connected with grants received from the Imperial Council of Agricultural Research for expenditure on schemes of agricultural research and other allied objects. Acceptances of balances under Central Revenues are awaited.

Deposit account of grant from the Central Government

for the development of handloom industries Cr. Rs. 16,730

149 The balance under this head represents the unspent amount of the grants made by the Central Government. Certificate of acceptance is awaited under Central Revenues

Deposit account of the Dangs Cr. Rs. 17,48,630

150 The receipts and payments connected with the administration of the Dangs Area in Surat District in Bombay are accounted for under this head in the books of the Accountant General, Bombay

The debt, deposit and remittance transactions including those on account of investments from the deposit account are being recorded under respective heads in the Dangs Account with effect from 1st April, 1944

Deposit account of Excess Profits Tax refundable to assessees under the Indian Finance Act, 1942 Cr. Rs. 20,18,31,237

151 Under Section 10 of the Indian Finance Act, 1942, in addition to the amount of excess profits tax imposed by Section 4 of the Excess Profits Tax Act, 1940 a further sum not exceeding one-fifth of the amount of the said excess profits tax may be deposited with the Central Government. The amount deposited by the assessees is repayable with simple interest at the rate of 2 per cent per annum. A further sum not exceeding one-tenth of the excess profits tax paid or one-half of the amount deposited, whichever is less, is payable to each depositor. With a view to avoid any large debit to the revenue budget in a single year, it has been decided that in each year, the requisite amount to meet the additional payments is to be set aside by a reduction in revenue and credit to the above minor head. The necessary adjustment on account of the transfer mentioned above is made by the Auditor General of India at the end of the year.

Account of payment in respect of Provincial Assessment of Excess Profits Tax made under Section 14-A of the Excess Profits Tax Act, 1940

Cr. Rs. 31,64,18,744

152 This head has been opened during the year 1943-44 to accommodate the amount of provisional assessment of excess profits tax made under Section 14-A of the Excess Profits Tax Act, 1940, as introduced by clause 3 of Ordinance No XVI of 1943. The tax assessed will not be credited to revenue immediately on collection but will be kept separate and adjusted against the tax determined on final assessment. Any amount collected in excess will be refunded to the assessees with interest at 5 per cent. per annum. Any deficiency in the amount collected will be recovered from assessees in the ordinary course after final assessment has been made.

Deposit account of interest on Excess Profits Tax Deposits Cr. Rs. 1,25,57,250

153 It represents amount of interest accrued during the years 1942-43 to 1944-45 on optional deposits made under Section 10 of the Indian Finance Act, 1942 (Rs. 23,99,911) and on compulsory deposits made under Section 2 of Ordinance No XVI of 1943 (Rs. 17,92,980) as described in paragraphs, 63 and 64. Necessary adjustment on account of the transfer is made by the Auditor General of India at the end of the year.

Deposit account of Central Surcharge funded for the benefit of assessees under the Indian Finance Act, 1942 Cr. Rs. 1,13,66,631

154 It represents adjustment of the Central Surcharge funded for the benefit of assessees under Section 8 (7) of the Indian Finance Act, 1942. Necessary adjustment on account of the transfer is made by the Auditor General of India at the end of the year.

Deposits of Eastern States Joint Armed Police Contributory Provident Fund Cr. Rs. 1,160

155. The balance represents the subscriptions recovered from the members of the Police as also the contribution paid by the States by debit to the head "Eastern States Joint Police Fund". The outstanding has since been adjusted.

Deposit account of the grants made for the benefit of cotton growers Cr. Rs. 946

156 This head records transactions connected with the grants made by the Central Government from the fund for the benefit of cotton growers, to the Centrally Administered areas for expenditure on schemes undertaken by the Central Government. The amount represents the unspent balance of the grant after meeting the expenditure during the year.

Deposits account of the grant made by the Indian Central Cotton Committee Cr. Rs. 4,057

157. This head records the transactions relating to the grants made to Baluchistan Administration by the Indian Central Cotton Committee for furtherance of agricultural schemes and other allied objects. Certificate of acceptance of balance is awaited.

Deposits in connection with the purchase of Egyptian Cotton Cr. Rs. 12,89,07,222

158 The deposits made by the importers of Egyptian cotton are recorded under this head.

Deposit account of Khasi Hill States Cr. Rs. 2,44,338

159 The Khasi Hill States are administered on behalf of the Crown Representative by the Governor of Assam as Agent of the Crown Representative under the provisions of Section 287 of the Government of India Act, 1935. All receipts and expenditure in connection with the administration of these States including any grant-in-aid are accounted for under this deposit head.

Deferred pay to Indian Troops Cr. Rs. 16,61,70,237

160 Under military regulations, Indian soldiers and non-combatants (enrolled) are entitled to "deferred pay" This deferred pay as the term implies will not be paid to the men along with their monthly pay and allowances but the accumulated amount earned by them during their service will be paid to them on promotion to the Viceroy's Commissioned Rank, discharge, retirement, etc, from service. It was decided during the year 1942-43 that the liability of deferred pay earned should be discharged concurrently and as a result the amount of deferred pay earned is charged to Defence Services accounts annually by *per contra* credit to this deposit head. The actual payments to the men are debited to this deposit head.

Post-War Reconstruction Fund .. Cr. Rs. 13,63,66,049

161 For the purpose of financing schemes for the welfare of Indian soldiers and non-combatants (enrolled) the Central Government have sanctioned the institution of a fund, called "Post-War Reconstruction Fund" with effect from the 1st April, 1942. This fund will be built up by Government contribution at the rate of Rs 24 per combatant soldier and Rs 12 per non-combatant (enrolled) per annum and the total annual contribution will be debited to Defence Services accounts and credited to this deposit head. All expenditure connected with the post-war welfare scheme will be met from this deposit head

Deposits on account of His Majesty's Government Cr. Rs 2,20,239

162. The debit balance represents the cost of a demand draft for United States of America, issued by the Reserve Bank of India, Bombay and is in connection with the purchase of oxygen plant and cylinders from Bahrein Petroleum Company. The question of clearance of the debit balance is under reference to the Government of India, Ministry of Finance.

Village Collective Savings Account .. Cr. Rs. 24,209

163. The balance is under adjustment.

Balance of Coorg .. Cr. Rs. 35,43,200

164 The outstanding amount under this head represents the balance of the Government of Coorg in deposit with the Central Government on the 31st March, 1946.

Deposits in connection with the purchase of East African

Cotton .. Cr. Rs. 8,173

165 The entire balance has been cleared in the accounts for 1946-47.

Deposits in connection with the purchase of Sudan Cotton Cr. Rs. 6,09,55,189

166. The balance has been verified.

Transactions connected with the War, 1939 167. The following are the details —

Classified Heads	Central Revenues	Madras	Bombay	Bengal	United Provinces.	Punjab	Bihar	Central Provinces and Berar	North west Frontier Province	Orissa	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
War Risks (Goods) Insurance Fund	Rs 13,92,08,480	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs 13,92,08,480
War Risks (Factories) Insurance Fund	Rs 14,41,81,376										Rs 14,41,81,376
War Injuries (Compensation) Insurance Fund	Rs 4,80,931										Rs 4,80,931
Deposits for relief of distress of Indian British Subjects in enemy countries	Rs 3,658										Rs 1,000
Deposits on account of enemy property											Rs 135
Deposits on account of unpaid disbursed pay of members of Civil Pioneer Force	Rs 8,758										Rs 43,53,780
Total	Rs 28,38,74,445	Rs 8,758	Rs 43,59,627	Rs 1,62,758	Rs 36,203	Rs -6,040	Rs 24,923	Rs 8,293	Rs 59,134	Rs 59,134	Rs 28,85,28,236

War Risks (Goods) Insurance Fund**Cr. Rs 13,92,08,480**

168 This was established under Section 9 of the War Risks (Goods) Insurance Ordinance, 1940 in connection with the goods insurance scheme put into operation by the Central Government from the 1st October, 1940 in accordance with the provisions of Section 5 of the Ordinance. All sums received by the Central Government by way of insurance premium under the War Risks Insurance Schemes are credited to this head.

War Risks (Factories) Insurance Funds**Cr. Rs. 14,41,81,376**

169 The fund was established under Section 7 of the War Risks (Factories) Insurance Ordinance, 1942 for the purpose of factories insurance scheme put into operation by the Central Government from the 1st April, 1942 in accordance with the provisions of Section 3 of the Ordinance. All receipts by way of insurance premium are credited and all liabilities under the scheme are charged to this head.

War Injuries (Compensation) Insurance Fund .. Cr. Rs. 4,80,931

170. The fund was established under Section 6 of the War Injuries (Compensation) Insurance Act, 1943 in connection with the War Injuries (Compensation) Insurance Scheme. All sums received by the Central Government by way of insurance premium under the scheme and all liabilities incurred thereunder are adjusted under this head.

Deposits for relief of distress of Indian British Subjects**in enemy countries Cr. Rs. 10,640**

171 The balance has been verified.

Deposits on account of enemy property Cr. Rs. 43,53,780

172 The amount includes the sale proceeds of cotton received from Singapore.

Deposits on account of undischarged pay of members of**Civil Pioneer Force Cr. Rs. 2,93,029**

173. The amount represents the undischarged pay of members of Civil Pioneer Force and is being adjusted in the accounts for 1946-47.

PART III ADVANCES NOT BEARING INTEREST

174. The classes of transactions included under this group are the following —

Major Heads (1)	India		England.
	Dr. (2)	Cr. (3)	Dr. (4)
	Rs.	Rs.	£
Advances Repayable	38,77,92,557		1,791
Permanent Advances (Civil and Posts and Telegraphs)	11,25,665		
Accounts with His Majesty's Imperial Government			5,580
Accounts with Foreign Governments and Indian States	4,51,94,318		
Accounts with the Government of Burma		53,16,645	
Accounts with the Burma Railway Board			6,605
Accounts with the Reserve Bank	97,09,414		
Coinage Accounts	11,19,34,233		
Total	55,57,56,187	53,23,250	7,371
Net Dr		55,04,32,937	

Advances Repayable (India)

175 The following are the details

Head of Accounts	Central Revenues	Supply Accounts (Civil)	Food Accounts	Baluchistan	Madras	Bombay	Bengal
1	2	3	4	5	6	7	8
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Civil Advances—							
Objection Book Advances	2,45,328	1,22,456	2,483	1,098	26,055	42,15,254	—1,86,722
Other Advances	96,567				14,304	5,084	72,303
Special Advances	34,60,884	1,78,37,373 ^(a)		11,73,330	1,32,833	20,73,23,214	1,14,655
Forest Advances	11,768			730			—342
Revenue Advances—							
Advances for Survey operations							65,603
Salt and Excise Advances					78	—2,500	
Total	38,14,547	1,79,59,820	2,483	11,76,058	1,73,270	21,16,41,052	65,497
Advances Recoverable							
Posts and Telegraphs		..			..
Defence		..			..
GRAND TOTAL							

(a) This includes the debit balance of Rs 56,16,570 transferred from the suspense head without any financial

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

153

Dr. Rs. 38,77,92,557

United Provinces	Punjab	Bihar.	Central Province and Berar	Assam	North West Frontier Province	Orissa	Sind.	Coorg.	Total
9	10	11	12	13	14	15	16	17	18
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
26,441	55,709	11,184	8,51,697	7,26,857	7,278	428	11,315	175	61,17,886
	5,881	—	—1,772	—	—	—	—	—	1,92,367
10,64,665	6,000	29,00,558	—	—	3,33,462	5,20,874	—	890	23,48,68,738
—	—	—	—	—	17	—	—	1,537	13,710
—	—	—	—	—	—	—	—	—	65,603
—	—	—	—	—	—	—	—	—	—2,422
10,81,106	67,590	29,11,692	8,49,925	7,26,857	3,40,757	5,21,302	11,315	2,602	24,12,55,882
—	—	—	—	—	—	—	—	—	30,14,445
—	—	—	—	—	—	—	—	—	14,35,22,230
—	—	—	—	—	—	—	—	—	38,77,92,557

adjustment—Vide also 'Suspense Accounts' under paragraph 208

176 *Civil Advances*—These include (i) various special accounts of large advances or of recurring outlay which are recoverable from different sources and (ii) a number of petty miscellaneous advances arising in the course of business and recoverable within a short time. The former are usually watched through separate accounts working up to the ledger, the latter pass only as a single account upon the ledger, but are recorded in detail in the objection books through which the recoveries are watched. In the latter case the ledger balance has to be agreed with aggregate of the details in the "Objection Books" and in the former, similar reconciliation is necessary in those cases in which different classes of transactions are included in the same account.

Objection Book Advances **Dr. Rs. 61,17,886**

177 The ledger balances against this head are agreed with those shown in the broadsheets maintained in the Civil Accounts Offices and, therefore, with the aggregate of the items recorded as outstanding in the objection books. The discrepancies between the ledger and the broadsheet balances have been settled except Rs 52,095 in Central Revenues, Rs 4,867 in Supply Accounts (Civil), Rs 16,951 in Baluchistan, Rs 10,618 in Madras, Rs 3,550 in Bombay, Rs 8,16,306 in Bengal, Rs 873 (net) in the United Provinces, Rs 8,777 in the Punjab, Rs 4,657 in Bihar, Rs 806 in the Central Provinces, Rs 165 in Assam and Rs 411 in North-West Frontier Province.

Three sums aggregating Rs 717 were written off as irrecoverable in the accounts for 1945-46.

Other Advances **Dr. Rs. 1,92,367**

178 The outstandings under this head represent the balance of various advances for departmental and other purposes.

The outstandings are either verified with separate accounts maintained in Civil Accounts Offices or agreed with the detailed statements received from the officers holding such advances. Certificates of acceptance of balances are awaited in some cases in the Punjab and in five cases in the Central Provinces. The credit balance under Central Provinces is due to some erroneous adjustments which are in course of adjustment in the accounts for 1946-47.

Special Advances **Dr. Rs. 23,48,68,738**

179 This head records advances granted to Government officers and others under special orders of Government. The differences between the ledger and the broadsheet balances have been settled except Rs 12,755 in Central Revenues, Rs 1,186 in Supply Accounts (Civil), Rs 42,880 in Madras and Rs 95,512 (net) in Bihar. Certificates of acceptance of balances are awaited in some cases in Supply Accounts (Civil) and in Bihar.

Forest Advances **Dr. Rs. 13,710**

180 The balance represents the amount remaining undisbursed on the 31st March, 1946, out of the amount advanced to subordinate officers of the Forest Department.

The credit balance under Bengal is being readjusted in the accounts for 1946-47.

Advances for Survey Operations **Dr. Rs. 65,603**

181. The balance under this head represents the amounts of outstanding advances for expenditure on surveys which are recoverable from private owners and other parties. The outstanding balance is in course of adjustment in the accounts for 1946-47.

Salt and Excise Advances Dr. Rs. 2,422

182 The balance under this head in Madras represents amounts recoverable on account of Salt Storage Works. The certificate of acceptance of balance has been received and is under reconciliation. In Bombay, the balance pertains to the head "Salt Manufacture Advances".

Advances Recoverable—Posts and Telegraphs .. Dr. Rs. 30,14,445

183 The balance is composed of : ..

	Dr Rs.
(i) Objection Book Advances	19,99,794
(ii) Overpayments on Money Orders	2,45,642
(iii) Cash Certificates, Defence Savings Certificates and National Savings Certificates—Overpayments	11,412
(iv) Customs duty on foreign mail articles	6,81,881
(v) Excess debit or short credit of customs duty realisation	1,610
(vi) Miscellaneous	74,106
Total ..	30,14,445

There was difference of Rs. 65,166 between the ledger balances and those recorded in the separate accounts maintained in the audit offices. A sum of Rs 86,308 involving 1,977 cases was written off during the year under report.

Item (i) *Objection Book Advances* represents mainly amounts of pay bills of Railway Mail Service offices and outstation staff of the Engineering Divisions, remitted for disbursements and the outstanding advances of pay and travelling allowances granted to officials at the time of their transfer.

Items (ii) *Overpayments on Money Orders*, (iii) *Cash Certificates, etc*,—*Overpayments* and (v) *Excess debit or short credit of customs duty realisation* relate to overpayments which will be adjusted either by recoveries from the public or from departmental officials responsible for making overpayments or short credits or by write-off to revenue.

Item (iv) *Customs duty on foreign mail articles* relate to the amount of customs duty levied on articles of inward foreign mails credited to the Civil Department in advances of recovery of the amount from the addressees of the articles.

Item (vi) *Miscellaneous* includes mainly (i) the amounts advanced to electric companies as security deposits, (ii) advances to Government servants for evacuation of their families from certain areas (iii) special advances granted to co-operative stores or societies for running of grain shops, etc, and (iv) advance to Jind State as imprest to meet heavy payments of money orders.

Advances Recoverable—Defence **Dr. Rs. 14,35,22,230**

184 The details are —

Military Accounts Officers or whose books the balances are borne	Advances Repayable					Total.
	Permanent Advances	Advances Proper	Navy Bills Receivable	Advances from Military Treasure Chests		
	(1)	(2)	(3)	(4)	(5)	(6)
	Rs	Rs	Rs	Rs	Rs	Rs
Northern Command, Rawalpindi	1,24,142	1,10,202	..	—37,351	1,96,003	
Military Accounts and Pensions, Lahore	2,15,023	17,64,861	..	..	19,80,784	
Southern Command, Poona	5,23,739	1,76,20,352	..	2,60,333	1,84,04,424	
Eastern Command, Meerut	2,55,004	36,66,148	..	72,950	30,94,102	
Air Forces, Dehra Dun	..	450	27,48,373	..	..	27,48,923
Army Factory Accounts, Calcutta	48,925	1,71,966	..	..	2,23,891	
Naval Accounts, Bombay	83,515	33,460	66,28,387	..	67,15,362	
Supply Accounts (Defence) Delhi	21,909	24,17,263	..	..	24,69,172	
Field Accounts (O & C H), Poona	550	19,59,20,792	..	..	10,59,21,342	
Field Accounts (O & R), Ambala	7,417	—9,64,04,890	..	..	—9,63,97,173	
Military Accounts, Patna	10,95,070	43,1,460	..	..	54,46,530	
British Troops, Meerut	5,100	17,83,030	..	..	17,88,130	
Military Railway Claims, Calcutta	150	..	..	..	..	150
Total	23,81,894	13,42,16,017	66,28,387	2,95,932	14,35,22,230	

Permanent Advances **Dr. Rs. 23,81,894**

185 The amount represents imprests granted to departmental, regimental and other officers. Certificates of acceptance of balances under this head are awaited in several cases and are under reference to the parties concerned.

Advances Proper **Dr. Rs. 13,42,16,017**

186 *Northern Command, Rawalpindi.* The balance includes Rs. 63,236 representing advances made to various newly raised units and to military units, private bodies, etc., and Rs. 46,966 relating to miscellaneous and other advances which are being adjusted in the year 1946-47.

Military Accounts and Pensions, Lahore The balance includes (2) Rs. 17,01,030 on account of miscellaneous advances representing net amount transferred to this

head to clear the outstanding under the detailed head "Stores purchases in India through the Supply Department", (ii) Rs 3,656 on account of advances paid to units and formations for the purchase of officers' mess equipment, (iii) Rs 28,734 on account of advances paid to newly raised units, etc., and (iv) Rs 31,447 being the balance of advances against the field imprest holders.

Southern Command, Poona — The major items comprising the balance are (i) Rs 31,347 being the amount of closing balances on the 31st March, 1946 with the field imprest holders, (ii) Rs 17,11,030 representing amount transferred to this head to clear outstanding under several detailed heads.

Eastern Command, Meerut The balance is composed of mainly (i) Rs. 1,386 on account of interest-free advances paid to newly raised units and formations solely for regimental purposes, (ii) Rs 48,070 representing advances for the purchase of officers' mess equipment, (iii) Rs 67,399 on account of advances granted for local purchase of grains, (iv) Rs 6,79,945 for advances made to the Governments of United Provinces and Central Provinces and Berar and (v) Rs 27,60,040 representing miscellaneous advances

Air Forces, Dehra Dun It includes (i) Rs 26,12,649 being the amount of closing balances on the 31st March, 1946 held by Air Force Units, (ii) Rs 36,086 on account of advances adjustable by the Controller of Military Accounts, (iii) Rs 78,766 being the amount of advances made to the personnel of other commands and other advances paid for the purchase of officers' mess equipment

Army Factory Accounts, Calcutta — The balance is being adjusted in the accounts for 1946-47

Naval Accounts, Bombay It includes (i) Rs 18,046 on account of advances for the purchase of officers' mess equipment and (ii) Rs 15,415 representing mainly advances to private bodies, etc., for Royal Indian Navy works

In case of (i) above, acceptances of balances are awaited in sixteen cases for which parties concerned have been reminded

Supply Accounts (Defence), Delhi The balance includes (i) account of advances made to Messrs. Mackenzie & Co (Rs 25,000), Bombay Port Trust (Rs. 200) and (ii) Rs 24,02,000 representing advances to Messrs. Indian Cable Company and has been recovered in full in 1946-47.

Field Accounts (O & C H), Poona. — The balance consists of (i) advances relating to Field Cashier's Account (Rs 11,41,713), (ii) outstanding imprest holders' account (Rs 4,74,00,218), (iii) advances adjustable in the office of the Controller (Rs 5,42,06,095), (iv) amount outstanding under Advances Unit Accountants (Rs 8,96,72,731) and (v) miscellaneous advances (Rs 5,00,035)

The balances under (i) and (ii) above will ultimately be paid as Field Advances to officers and others whose accounts are maintained on war system of accounting and will eventually be debited to the head 'Field Deposits' to which the pay and allowances of the above officers and others are credited as and when they accrue. The balances under (iii) and (iv) represent advances already paid but awaiting final adjustment.

Field Accounts (O & R), Ambala — The balance is made up of (i) Rs. 6,656 representing the balance in respect of miscellaneous interest-free advances paid to newly raised units, (ii) Rs 1,94,53,542 on account of advance adjustable in the office of the Controller, (iii) Rs 1,69,91,844 for advances—Unit Accountants and (iv) Rs 33,840 for miscellaneous advance which has been recovered and adjusted in the accounts for the year 1946-47.

Military Accounts, Patna The balance is made up of advances paid to (i) imprest holders' account (Rs 47,034) consisting of imprests for supplies and services, (ii) miscellaneous advances (Rs 43,63,164) and of erroneous adjustment of Rs 48,738 (credit) since readjusted in the accounts for 1946-47

British Troops, Meerut. It includes (i) Rs 17,81,141 relating to imprest holders' account and (ii) Rs 1,838 on account of advances paid for the purchase of officers' mess equipment.

Military Railway Claims, Calcutta - The balance represents debits raised by Railways in respect of Non Defence Department transactions. The amount has been cleared in the accounts for 1946-47

Navy Bills Receivable **Dr. Rs. 66,28,387**

187 The balance represents cash payments, etc, made on behalf of the Royal Navy A sum of Rs 41,00,708 has since been adjusted in the accounts for 1946-47.

Advances from Military Treasure Chests .. **Dr. Rs. 2,95,932**

188 The credit balance under the head represents the value of cheques remaining uncashed on the 31st March, 1946. The debit balance is under adjustment in the accounts for 1946-47.

Advances Repayable (England)

High Commissioner for India **Dr. Rs. 1,791**

189 The balance represents the outstanding amount of various advances made by the High Commissioner.

Permanent Advances **Dr. Rs. 11,25,665**

190 The following are the details :

							Dr Rs
Civil—							
Central Revenues	..	..	..	..	..	..	2,43,349
Baluchistan	..	..	..	..	..	..	31,715
Supply Accounts, (Civil)	..	..	..	..	..	..	1,72,727
Food Accounts	..	..	..	..	..	..	2,900
Madras	..	..	..	..	..	..	65,569
Bombay	..	..	..	..	..	..	2,08,942
Bengal	..	..	..	..	..	..	2,01,847
United Provinces	..	..	..	..	..	..	9,790
Punjab	..	..	..	..	..	..	20,567
Bihar	..	..	..	..	..	..	30,349
Central Provinces and Berar.	..	..	..	..	..	..	5,612
Assam	..	..	..	..	..	..	40,340
North-West Frontier Province	..	..	..	..	..	..	55,583
Orissa	..	..	..	..	..	..	6,281
Sind	..	..	..	..	..	..	4,840
Coorg	..	..	..	..	..	..	3,881
						Total—Civil	11,04,292
Posts and Telegraphs	..	..	..	..	..	..	21,373
						Total	11,25,665

191 These advances are granted to officers of Government who have to do contingent expenditure before they can place themselves in funds by drawing bills on treasuries, etc. Certificates accepting the balance have not been received in some cases in Central Revenues, some cases in Supply Accounts (C vil) sixty cases in Madras, thirteen cases in Bombay, twentyfive cases in the United Provinces, thirteen cases in the Punjab, five cases in Bihar, one case in Assam and one case in Coorg

... The difference between the ledger and the broadsheet balances have been settled except in some cases in Central Revenues, Rs 3,626 in Madras, Rs 898 in Bombay, Rs 5 in the United Provinces, Rs 500 in the Punjab, Rs 980 in Bihar and Rs 1,900 in Assam

The Posts and Telegraphs balance consists of Rs 5,060 held by the Superintendent, Postal Seals, Aligarh, as working capital and Rs 16,373 held by the Posts and Telegraphs officers as ordinary permanent advances for meeting petty contingent expenditure.

Accounts with His Majesty's Imperial Government ..	Dr. £ 5,580
--	-------------

192. The details of the balance are :

	Dr. £
Secretary of State	3,003
High Commissioner	2,577
Total ..	5,580

The debit balance in the accounts of the Secretary of State represents miscellaneous expenditure on behalf of the Imperial Government. It consists of amounts paid in 1943-44 to 1945-46 the majority of which have been adjusted in 1946-47

The debit balance in the High Commissioner's accounts is made up of (i) pensions issued to retired officers of the Government of India in respect of their services in various departments of the Imperial Government, (ii) salary, (iii) forwarding charges of baggage of an officer appointed to the Government of Burma, (iv) advance and (v) a credit balance on account of the War Office for the supply of spirits during next year Recovery of balances in respect of (i), (ii) and (iii) above has been effected in 1946-47.

Accounts with Foreign Governments and Indian States

193. The details of the balance are:—

Dr. R.S. 4,51,94,218

[Credit + Debit -]

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

194 *Colonial and other Foreign Governments* The outstandings represent, generally, the balances due by or to those Governments, the accounts of which were not settled at the close of the year

Charges on account of Quarantine Officers recoverable from the Iran Government
The balance as per separate register maintained in the Accounts Office is Rs. 61,699. The discrepancy will be settled when the final orders of the Government of India are received regarding the adjustment of the outstanding amount.

Account Current with Polish Government This head has been opened to record expenditure on the Polish children's camp in India and the payments made to the delegate of the Polish Ministry of Social Welfare for the Polish children in India.

195 *Account Current with Indian States*

The following are the details of the balance.

Central Revenues.

					Dr. Rs	Cr. Rs.
Alwar	..	..	..	..	770	
Bhopal					3,005	..
Hyderabad	.	.	..	..	1,29,651	..
Banswara	.	.	..	..	145	
Tonk	.	.	..	..		1,722
Mohammadgarh	.	.	..	..	34	..
Bikaner	.	.	..	..	2,21,490	..
Indore	.	.	..	..	11,454	
Bhuratpur	.	.	..	..		5,500
Gwalior	.	.	..	..	2,10,139	..
Datia	..	..	..	..	900	..
Palanpur	.	..	..	..	27	..
Panna	.	.	..	..	1,800	..
Chattarpur	.	.	..	..	863	..
Santhar	.	.	..	..	270	
Dholpur	.	.	..	..	13,693	..
Baoni	.	.	..	..	180	
Mewar	.	.	..	..	125	..
Jaipur	.	.	..	..	—651	
Kochin	.	.	..	..	164	
Jodhpur	.	.	..	..	15,435	
Kotah	.	.	..	..	2,759	
Rampur	..	.	..	..	4,098	
Rewa	.	.	..	..		820
Sirohi	.	..	..	..		169
				Total	6,16,360	8,211
				Net Dr.	6,08,149	

The balances shown above are in course of adjustment or recovery in the accounts for 1946-47

Supply Accounts (Civil)

The sum of Rs 1,65,03,998 represents the outstanding balance in respect of stores purchased by the Department of Industry and Supply on behalf of H E H the Nizam's State Railway (Rs 11,69,297) and several other Indian States (Rs. 10,82,959).

The remaining outstanding of Rs 1,42,51,742 is on account of cost of standard cloth due from the Indian States on account of the supply made to them Acceptance of balances from forty states is still awaited

Baluchistan

The sum represents the net amount of the balance due to the Lasbela State (Rs. 807) and the outstandings from the Kalat State (Rs. 405).

American Purchase.

The amount represents the balance outstanding from the Nizam's State Railway for the value of stores purchased through the Department of Industry and Supply.

The amount has been recovered in full in the year 1946-47.

Madras.

											Dr. Rs.
Travancore	..	..	..	..	..	..	..	..	..	..	80,420
Cochin	..	..	..	..	..	..	..	..	..	..	50,51,904
Mysore	..	..	..	..	..	..	..	..	..	..	40,12,113
										Total	.. 91,44,437

Recoveries and acceptances of balances are still awaited from Cochin and Mysore.

Bombay

											Cr Rs
Sawantwadi	..	..	..	..	..	..	..	..	..	..	69,680
Jath	..	..	..	..	..	..	..	..	..	..	87,942
										Total	.. 1,57,622

The certificate of acceptance of balances is awaited in one case.

Bengal.

											Dr Rs
Cooch Behar	..	..	..	..	..	..	..	..	..	..	7,10,290

The amount represents the balance of Government money lying in the Cooch Bihar State treasury which, under special arrangement, makes payment and receives money on behalf of Government. The amount does not represent any claim outstanding against the State.

Punjab

											Dr Rs	Cr Rs
Kashmir	..	..	..	..	..	..	..	..	..	..	..	15,64,773
Bahawalpur												37,552
Malerkotla	..	..	..	..	..	..	..	..	..	..	..	12,202
Patiala	..	..	..	..	..	..	..	..	..	..	..	38,13,435
Kapurthala	..	..	..	..	..	..	..	..	..	4,362	..	..
Jind												3,92,049
Faridkot	..	..	..	..	..	..	..	..	..	2,81,427	..	..
Chamba	..	..	..	..	..	..	..	..	..			44,358
Nabha	..	..	..	..	..	..	..	..	..			1,99,620
Mandi	..	..	..	..	..	..	..	..	..			67,278
Suket	..	..	..	..	..	..	..	..	..			279
Bikaner	..	..	..	..	..	..	..	..	..	1,68,900	..	..
Kalsia	..	..	..	..	..	..	..	..	..			4,865
Sirmur	..	..	..	..	..	..	..	..	..			67,232
Poonch	..	..	..	..	..	..	..	..	..	8,240	..	..
Khairpur	..	..	..	..	..	..	..	..	..			4,02,241
Loharu	..	..	..	..	..	..	..	..	..			6,775
Tehri (Garhwal)	..	..	..	..	..	..	..	..	..			96,730
Ramgarh	..	..	..	..	..	..	..	..	..	36		..
									Total	.. 4,62,965	.. 67,09,389	
									Net Cr.	.. ..	.. 62,46,424	

The balances due by or to the various states have been communicated to them. The certificates of acceptance have not been received from twelve states

196 *Posts and Telegraphs* The balance is made up of (i) Rs. 1,50,481 (debit) representing net payment made by Post Offices on account of money orders exchanged with Indian States, (ii) Rs 4,69,091 (debit) as net payments made by Post Offices into Durbar treasuries and (iii) Rs. 634 (debit) representing the balance of the accounts exchanged between the Indian Posts and Telegraphs Department and His Majesty's Colonial Government, Aden

Accounts with the Government of Burma .. Cr. Rs. 53,16,645

197 The balance under this head represents the financial transactions of the Central Government with the Government of Burma remaining unadjusted through the Reserve Bank of India at the close of the year. It includes the sum of Rs 5,72,807 (credit) in respect of the balance of the accounts exchanged between the Indian Posts and Telegraphs Department and the Government of Burma. The other items included therein pertain to Central Revenues, Rs 47,63,518 (Cr) and Baluchistan, Rs 19,680 (Dr)

Accounts with the Burma Railway Board .. Cr. Rs. 6,605

198 The balance represents the outstanding amount due from the Burma Railway Board for which the monetary settlement through the Bank could not be effected before the Bank's accounts for the year were closed. The balance has been cleared in 1946-47

Accounts with the Reserve Bank Dr. Rs. 97,09,414

199 The receipts and payments on account of the Reserve Bank occurring in Government (Central) treasuries are recorded under this head until they are cleared by the Accountants General by disbursement to or recovery from the Bank. The details are .

										Dr.
										Rs
Central Revenues	..	..	..	..	..	..	..	..	..	2,433
Baluchistan	..	..	..	..	..	..	..	..	..	821
Madras	..	..	..	..	..	..	..	..	..	1,311
Bombay	..	..	..	..	..	..	..	..	..	13,07,129
Bengal	..	..	..	..	..	..	..	..	..	9,305
Punjab	..	..	..	..	..	..	..	..	..	20,720
Bihar	..	..	..	..	..	..	..	..	..	51
Assam	..	..	..	..	..	..	..	..	..	82,64,243
Coorg	..	..	..	..	..	..	..	..	..	500
								Total	..	96,06,513
Railways	..	..	..	..	..	..	..	..	..	1,02,901
								Total	..	97,09,414

Under Railways the balance represents charges due from the Reserve Bank on account of freight on treasure, etc. The amount is being recovered from the Bank during the year 1946-47.

Coinage Accounts

200 The following are the details :—

Dr. Rs. 11,19,34,933

[Credit+, Debit-]

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

163

Heads of Accounts.	Central Revenues.	Baluchi stan	Madras	Bombay	Bengal	United Provinces	Punjab	Bihar.	Central Provinces and Berar	Assam.	North West Frontier Province	Orissa	Sind	Total	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Bullion Advances for Coinage	..	..	..	—27,71,854	—5,81,784	..	..	..	..	..	..	..	..	—33,53,638
Prizes (and Corresponding Coinage Account)	+ 16,46,079	..	..	—20,80,373	—35,74,817	..	..	..	..	..	..	..	..	—42,23,510
Nickel Coinage Account	+ 2,50,11,808	..	..	—33,99,879	—61,47,692	..	—7,76,290	..	..	..	..	..	..	+ 1,65,89,047
Quaternary Coinage Account	+ 6,59,27,912	..	..	—1,88,03,154	—4,520	..	—2,93,71,894	..	..	..	..	..	..	+ 1,77,48,314
Sum 1 Coin Depot Balances	—56,45,136	—1,54,200	—47,33,143	—64,86,503	—2,25,33,095	—48,76,901	—62,53,175	—23,25,870	—16,95,865	—8,88,842	—2,07,000	—1,61,900	—13,74,425	—5,72,30,355	
Quaternary Rupee Coin Balances	..	..	..	..	..	..	..	..	..	..	..	..	..	—8,03,53,032
Total	..	+ 8,78,40,463	—1,54,200	—47,33,143	—11,38,00,845	—3,28,41,908	—48,76,901	—3,67,14,787	—23,25,870	—16,95,865	—8,88,842	—2,07,000	—1,61,900	—13,74,425	—11,19,34,933

Bullion Advances for Coinage Dr. Rs 33,53,638

201 The debit balance represents the value of silver bullion received in the Mints but not cleared by coins delivered

Bronze (and Copper) Coinage Account Dr. Rs. 42,23,549

202 The balance represents the difference between the value of metal in store *plus* the amount of bronze coins in the Mints on the 31st March, 1946 and the profit on coins in stock on that date in the Mints and Small Coin Depots which is not credited to revenue before actual issue of the coins The details of these balances on the 31st March, 1946, are as follows

Name of Accounts (1)	Central Revenues (2)	Calcutta. (3)	Bombay (4)	Lahore. (5)
	Cr Rs	Dr Rs	Dr Rs	Dr Rs
<i>Bronze Mintage Account</i> , being the value of metal in store in the Mints on the 31st March, 1946	..	31,08,686	11,99,373	2,78,088
<i>Bronze Coin Account</i> , being the amount of bronze coins in the Mints on the 31st March, 1946	..	4,66,131	8,81,000	36,350
<i>Mint Profit Account</i> , being the profit on coins in stock on the 31st March, 1946 in the Mints and Small Coin Depots not yet brought to credit as revenue	16,46,079	..	..	..
Total ..	16,46,079	35,74,817	20,80,373	3,14,438
Net Dr			43,23,549	

There are differences of Rs 6,75,111 in Bombay and Rs 5,229 in Lahore between the ledger balances and the Mint Store Accounts which are under reconciliation

Nickel Coinage Account Cr. Rs. 1,55,98,047

203 The balance represents the difference between the value of nickel and cupro-nickel in store *plus* the amount of nickel coins in the Mints on the 31st March, 1946 and the profit on Nickel coins in stock on that date in the Mints and Small Coin Depots which is not credited to revenue before actual issue of the coins The details of these balances on the 31st March, 1946 are as follows :

Name of Accounts (1)	Central Revenues (2)	Calcutta. (3)	Bombay. (4)	Lahore (5)
	Cr Rs	Dr Rs	Dr Rs	Dr Rs
<i>Nickel Mintage Account</i> , being the value of nickel cupro nickel and voleston on store in the 31st March, 1946	..	3,17,942	6,40,379	3,11,790
<i>Nickel Coin Account</i> , being the amount of nickel coins in the Mints on the 31st March, 1946		58,29,750	27,59,500	4,63,500
<i>Mint Profit Account</i> , being the profit on coins in stock on the 31st March, 1946	2,59,11,908	..	..	..
Total	2,59,11,908	61,47,692	33,99,879	7,75,290
Net Cr		1,55,89,047		

Under Nickel Mintage Account, there are discrepancies of Rs 81,416 in Bombay and Rs 276 in Lahore between the ledger balance and those shown in the Mint Store Account, which are under correspondence.

Quaternary Coinage Account**Cr. Rs. 1,77,48,344**

204 The details of the balance are shown below :

Name of Accounts	Central Revenues	Calcutta.		Bombay	Lahore.
		Cr. Rs. (2)	Dr. Rs. (3)	Dr. Rs. (4)	Dr. Rs. (5)
(1)					
Quaternary Mintage Account—					
(i) Stock Account			4,520	11,28,141	80,47,384
(ii) Rupee Account				32,97,274	
(iii) Small Coin Account				34,79,739	
			4,520	79,05,154	80,47,384
Quaternary Coin Account—					
(i) Stock Account					2,13,24,510
(ii) Rupee Account				61,94,000	
(iii) Small Coin Account				47,04,000	
				1,08,98,000	2,13,24,510
Mint Profit Account		6,59,27,912			
Total		6,59,27,912	4,520	1,88,03,154	2,93,71,894
				Net Cr. Rs 1,77,48,344	

The balance against Quaternary Mintage Account represents value of quaternary silver and alloy in stock at the Mints on the 31st March, 1946 and that against Quaternary Coin Account represents the amount of quaternary coins in the Mints on that date. The balance against Mint Profit Account represents the profit relating to the coins in stock at the Depots and Mints on the 31st March, 1946.

There is a difference of Rs 1,229 in Bombay between the ledger balance and that shown in the Mint Store Accounts which is under reconciliation.

Small Coin Depot Balances**Dr. Rs. 5,72,36,355**

205 This represents the non-legal tender coins kept in stock for delivery to treasuries as required. Not being actual available cash, the balance is held at debit of this account instead of as part of the general cash balance.

The details of the balances are

Depots	Quaternary	Silver	Nickel	Bronze and Copper	Total
(1)	(2)	(3)	(4)	(5)	(6)
Central Revenues Depots	37,58,650	18,781	17,58,400	1,09,605	56,45,436
Baluchistan Depots	1,06,500		46,500	1,200	1,54,200
Madras Depots	24,34,540	2,183	21,77,600	1,18,820	47,33,143
Bombay Depots	30,20,000		31,11,660	3,54,843	64,86,503
Bengal Depots	1,69,74,570	1,72,426	49,53,240	4,32,859	2,25,33,095
United Provinces Depots	31,51,880	237	16,28,160	96,624	48,76,901
Punjab Depots	29,96,376	1,660	30,00,244	2,54,895	62,53,175
Bihar Depots	17,07,000		5,90,975	27,895	23,25,870
Central Provinces and Berar Depots	7,13,900		8,20,150	61,815	15,95,865
Assam Depots	5,85,500		2,97,800	5,542	8,88,842
North-West Frontier Province Depots	1,00,000		88,250	18,750	2,07,000
Orissa Depots	80,725		80,625	550	1,61,900
Sind Depots	7,62,200		5,54,950	57,275	13,74,425
Total	3,63,91,841	1,95,287	1,91,08,554	15,40,673	5,72,36,355

Under Central Revenues, a difference of Rs 3,350 with the Cash Balance Report is under settlement. Difference of Rs. 25,500 in Baluchistan is under settlement in 1946-47.

Quaternary Rupee Coin Balances Dr. Rs. 8,03,58,082

206 This head accommodates transactions connected with the issue to and return by, the Reserve Bank of India, of quaternary rupee coins. The debit balance represents the amount of quaternary rupee coins held in the custody of the Reserve Bank on the 31st March, 1946 for issue to treasuries. As in the case of the small coin depot balances, the balance of quaternary rupee coins held in stock is excluded from the general cash balance of Government. The balance has been accepted by the Reserve Bank of India, Bombay.

PART IV.—SUSPENSE

207 The classes of transactions included under this head are the following—

Heads.	India		England.
	Dr.	Cr	
(1)	(2)	(3)	(4)
Suspense Accounts ..	..	(a) 62,80,56,074	25,229,730
Transactions connected with Burma notes ..	..	20,69,27,758	..
Purchases and Sales of Silver ..	..	35,13,71,693	..
Sale of Lend/Lease Silver ..	..	16,86,34,649	..
Cheques and Bills ..	..	2,35,72,812	..
Departmental and Similar Accounts	4,97,05,074		..
Transactions connected with the War, 1939	96,25,608	..	..
Payments made to Reserve Bank for loss of currency due to enemy action	12,71,700		..
Total	6,06,02,382	1,37,85,62,986	25,229,730
Net Cr.	(a) 1,31,79,60,604		(b) 25,229,730

(a) It includes the following Investment Accounts —

	Rs
(i) Indian Railway Conference Association Employees' Provident Fund Investment Account	6,89,757
(ii) Sind, Punjab and Delhi Clergy Endowment Fund Investment Account ..	16,000
(iii) Staff Benefit Fund Investment Account ..	6,55,874
Total (See paragraph 229)	13,61,631
(iv) Cost of Government Promissory Notes and Investment Certificates held in imprest (See paragraph 227)	85,294
(v) Cash Balance Investment Account (See paragraph 217)	35,36,70,400
Total ..	35,51,17,325

.. (b) It includes £21,144,178 on account of investments detailed in paragraph 230.

Suspense Accounts (India)

208. The details of the balances are:

Cr. Rs. 62,80,56,074

[CREDIT +, Debit -]

Bengal	United Provinces	Punjab	Bihar	Central Provinces and Berar	Assam	North-West Frontier Province	Orissa	Sind	Total.
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
—31,33,724	—11,573	—8,79,011	—1,70,179	+ 14,918	—5,55 69,178	—9,402	+ 27,889	—500	—11,64,48,56 ^r
—5,20,561		—1,305							—1,83,25 ^r
+ 60,635								..	—6,04,90 ^r
								..	+ 62,40 ^r
—65,229	—35,88,415	+ 1,509		—2,376			—28,12,64 ^r		—33,84,68 ^r
									4,39,20 ^r
									—78,26 ^r
									—35,36,70,400
									—12,73,34,013
—7,58,845	—32,642	—1,72,050		—342		+ 384			—27,05,66 ^r
—2,71,706		184		+30,605					—3,28,47 ^r
									—1,48,74 ^r
									+ 19,57,08,82 ^r
									+ 1,00,44,45,7 ^r

Heads.	Central Revenues	Baluchis-tan.	Supply Accounts (Civil)	Food Accounts	American Purchase	Madras.	Bombay
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Purchase of steel helmets for Provincial Governments	—3,13,024	..	—	—	..	..	..
Indian Civil Services Family Pension Fund (Transferred)	+131	..	..	..	..	..	..
Total Civil .	—31,44,86,495	—1,25,315	—1,33,81,037*	—4,68,293	+5,80,20,355	—3,63,040	+95,16,03,100
Posts and Telegraphs	..	..	..	..	..	..	..
Defence .	..	..	..	..	..	..	..
Railways .	..	..	..	..	..	..	..
GRAND TOTAL .	..	..	..	..	..	..	..

* Excludes the debit balances of Rs 1,24,11,250 and Rs 56,16,570 transferred from this head to Government Account

Bengal	United Provinces	Punjab.	Bihar.	Central Provinces and Berar	Assam.	North-West Frontier Provinces	Orissa.	Sind.	Total
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16) ^a	(17)	(18)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	..	..	..	..	..	..	-3,19,02
..	..	..	..	..	..	..	..	..	+ 18
46,88,430	-38,32,630	-35,51,341	-1,70,179	+42,805	-5,55,69,178	-34,21,659	+27,889	-17,991	+60,96,17,6
..	..	..	..	..	..	..	..	..	-69,85,78
..	..	..	..	..	..	..	..	..	+ 1,20,74,61
..	..	..	..	..	..	..	..	..	+ 1,33,49,58
									+ 62,80,56,07

under the capital head " 87 " and to the deposit head " Advances Repayable " respectively without any financial adjustment.

Objection Book Suspense Dr. Rs. 11,64,48,567

209 This is the main suspense head upon the Civil books. The transactions under this head represent items, which, due to insufficient information or other reasons, cannot be allocated to the proper heads in the accounts. These entries are zealously watched, as there is a general rule that this head should not be operated upon without special orders in each case.

As in the case of balance under Objection Book Advances, the ledger balance under this head has to be agreed with the aggregate of the separate accounts in the objection books. The differences between the ledger and the broadsheet balances have been adjusted except Rs 1,18,220 under Central Revenues, Rs 335 under Madras, Rs 2,70,402 under Bengal, in some cases under the United Provinces, Rs 218 under Bihar and Rs 28 under Punjab. The bulk of the outstandings has been adjusted in the accounts for 1946-47.

Bushire Suspense Dr. Rs. 1,83,252

210 The net outstanding balance under this head includes a sum of Rs 1,25,725, being the balance of the amount recoverable from the Hedjaz Government for the cost of arms and ammunition supplied by the Central Government.

Discount on Treasury Bills Dr. Rs. 6,04,907

211 The debits under this head relate to discount in respect of treasury bills issued to the public which did not accrue during the year under report, the debits being cleared by charge to revenue in the following year when the bills are paid off on maturity.

Recoveries of Service Payments Cr. Rs. 62,409

212 The balance has been verified and is being adjusted in the accounts for 1946-47.

Central Excises and Salt Suspense Dr. Rs. 33,84,681

213 This head accommodates the receipts and payments of the Central Excises and Salt Department excepting salt revenue receipts of the North Western India Circle passed on by the Central and Provincial Treasury Officers through the Accounts Officers concerned for adjustment in the books of that Department. Other transactions relating to purchases made through the Supply and Other Departments are also adjusted through this head.

Other Suspense Accounts Cr. Rs 1,26,33,774

214 This represents the net result of debit and credit balances of several suspense heads. The debit balance of Rs 3,23,32,051 under Central Revenues includes a debit of Rs 22,87,789 under the suspense head "Security Purchase Account" and several debits representing amounts of unadjusted items under departmental suspense head. The former suspense head will be cleared on receipt of the orders of the Central Government when the scheme of repatriation of sterling debt is finally closed, while the latter are in course of adjustment. The net debit balance of Rs. 1,28,01,396 under Supply Accounts (Civil) is composed of debit balances under several suspense heads chiefly under stores purchase suspense (Rs 73,69,038), canteen stores suspense (Rs. 18,71,321), timber adjustment suspense (Rs 20,72,906) and other unclassified suspense (Rs 46,33,006) and credit balances under several suspense heads mainly under standard cloth control account (Rs 9,63,487) and rubber remittance suspense (Rs 38,70,280). The net credit balance under "American Purchase" is composed of items adjusted under various suspense heads viz debit balances chiefly under overseas purchase suspense (Rs 4,75,67,145), canteen stores suspense (Rs 2,74,44,193) and credit balances mainly under purchases in Dominions Colonies, etc (Rs 1,27,27,266), railway (advance credit) suspense (Rs 9,23,94,721), remittance suspense lease/lend (Rs. 35,21,334), lease/lend suspense (Rs 56,15,353), reciprocal aid raw material (Rs. 1,31,66,741) and non ferrous suspense (Rs 57,13,950). The adjustments of the outstanding balances are in progress.

Reserve Bank Suspense**Dr. Rs 4,39,202**

215 The head is intended for temporary accommodation of transactions affecting the central balances pending final adjustment on receipt of debits or credits from other Accounts Officers regarding the monetary settlement with other Governments.

English Stores Suspense**Dr. Rs 75,260**

216 Debits and credits on account of English stores which appear in the Home Accounts and which are required to be adjusted entirely in the Indian Accounts are taken under this head if they cannot be finally adjusted under the appropriate heads at once

Cash Balance Investment Account**Dr. Rs. 35,35,57,400**

217 The balance under this head includes Rs. 35,35,57,400 being the balance of, rupee securities created in connection with the scheme of the repatriation of sterling debt and other Central Government loans created but remaining unsold on the 31st March, 1946 and a sum of Rs 1,13,000 being the value of the Reserve Bank shares held by Government under Section 4(8) of the Reserve Bank of India Act II of 1934.

Discount Sinking Fund**Dr. Rs. 12,73,34,013**

218 The discount on rupee loans is charged in the first instance to this suspense head and is gradually written off by annual payments out of revenue, the instalment being calculated on a Sinking Fund basis. The balance is distributed as shown below :

		Dr Rs
4½ per cent Loan,	1955-60	28,66,182
4 " " 1960-70		4,05,08,366
3½ " " 1947-50		35,19,619
3 " " 1951-54		25,95,157
3 " " 1963-65		2,71,76,183
3 " Funding Loan, 1966-68		1,92,67,313
3 " First Development Loan, 1970-75		3,05,73,314
2½ " Loan, 1948-52		8,27,849
		Total
		12,73,34,013

Departmental Adjusting Account**Dr. Rs. 27,05,668**

219 This head is intended for the provisional adjustment of departmental receipt and payments which are entered by the treasuries in separate schedules

Civil Pioneer Force Suspense**Dr. Rs. 3,28,473**

220 The balance under this head represents advances of pay, etc, drawn by officers and men of Civil Pioneer Force out of imprest obtained by the Commanding officers of units. The credit balance is to be set off against debits raised by the Controllers.

Advance credit on account of Central transactions in non-**bank Provincial treasuries and sub-treasuries****Dr. Rs. 33,00,000**

221 The balance represents the amount placed at the credit of the Governments of the United Provinces, the Punjab and the North-West Frontier Province as permanent deposits to cover the amount by which the Provincial balance is depleted on account of Central transactions in non-bank Provincial treasuries and sub-treasuries

Bonus on Loans**Cr. Rs. 57,03,000**

222 This head has been designed to accommodate the credits adjusted in each year's accounts by *per contra* debit to revenue account under "22 Interest, etc" in respect of bonus payable on (i) 3 per cent. Six Year Defence Bonds and (ii) 3 per cent. Defence Bonds, 1946 during their currency beginning from 1941-42 till maturity. The final payment of bonus on redemption of the loans in 1946-47 will be set off against the credits under this head in that year's account. It also includes a portion of the premium on sale of 3 per cent. Defence Bonds, 1946 created out of the Cash Balance Investment Account.

Purchase of reserve stock of tear smoke equipment Dr. Rs. 1,48,748

223 The balance is under correspondence with the Government of India for final settlement

Profit from circulation of Nickel, Bronze and Copper Coins

Cr. Rs. 19,57,08,827

224 The balance under this head is composed of profits from circulation of

(i) Nickel Coins (Rs 23,89,40,512) and (ii) Bronze and Copper Coins (Rs 1,63,15,764), during the year 1945-46 less amount taken to Revenue Account of the year (Rs 5,95,47,450)

Value of one rupee notes issued ..

Cr. Rs. 1,00,44,45,709

225 The balance represents the value of one rupee notes taken over by the Reserve Bank of India for issue (Rs 1,01,00,00,000), less the share of receipts allocated to Burma (Rs 55,54,291).

Purchase of steel helmets for Provincial Governments

Dr. Rs. 3,13,024

226 The amount has since been adjusted in the accounts for 1946-47.

Indian Civil Service Family Pension Fund

(Transferred)

Cr. Rs. 131

226 (A) The balance is under settlement

Posts and Telegraphs Suspense ..

Dr. Rs. 69,85,783

227 The balance is made up of

Cr. Dr.

Stamp imprests held in cash by Telegraph Masters

Rs. 16,910

Trade Charges Money Orders

Rs. 368

Savings Bank Investment Account

2,65,247

Miscellaneous

72,33,782

Total .. 2,65,247 72,51,030

Net Dr .. 69,85,783

Stamp imprests held in cash by Telegraph Masters The balances included herein have been verified with the broadsheets maintained in Audit Offices

Trade Charges Money Orders By a special arrangement with certain foreign countries, the value of articles sent by parcel posts is collected from the addressees and the amounts so collected, technically called 'Trade Charges' are remitted to the senders by card money orders. These amounts are placed under 'Suspense' pending settlement with the Administration concerned

Savings Bank Investment Account. It is composed of :

	Cr. Rs.	Dr. Rs.
Cost of Government Promissory Notes and Investment Certificates held in imprest (by the Deputy Accountant General, Posts and Telegraphs, Calcutta) for meeting the demands of Savings Bank depositors ..	..	85,294
Interest on Government Promissory Notes due to living Savings Bank depositors ..	402	..
Interest on Government Securities on behalf of deceased depositors ..	2,28,079	..
Sale proceeds of Government Promissory Notes on behalf of deceased depositors ..	1,21,632	..
Anticipatory interest on certain old loans ..	428	..
Total	3,50,541	85,294
Net Cr.	2,65,247	

Miscellaneous. It represents the net result of credits and debits taken to suspense for want of necessary particulars. It also includes a sum of Rs 2,15,897 being the balance under the head 'Miscellaneous Posts and Telegraphs Advances', which records the transactions in connection with the works executed for Railways, Canals, Military, etc, pending recovery from the Departments concerned and advance payments to contractors for departmental works pending adjustment.

Defence Suspense Cr. Rs. 1,20,74,615

228. The balance is made up of the following items : [Credit +, Debit—]

Military Accounts Officers on whose books the balances are borne (1)	Sale proceeds of surplus Military lands and buildings (2)	Bonus to temporary employees of H M I. Dock-yard, Bombay and in Ordnance and Clothing Factories, etc (3)	Other Suspense Accounts (4)	Total. (5)
	Rs	Rs	Rs	Rs
	+16,13,284	..	+32	+16,13,316
Northern Command, Rawalpindi			+60,351	+60,351
Military Accounts and Pensions, Lahore	..	+8,615	-22,84,773	-22,76,158
Southern Command, Poona	..	+2,78,404	-2,74,846	+3,558
Eastern Command, Meerut	..	+11,63,639	8,280	+11,55,359
Naval Accounts, Bombay	..		-94,43,970	-94,43,970
Supply Accounts, Defence, Delhi	..		+800	+800
Field Accounts (O & C H), Poona	..		+6,437	+6,437
Field Accounts (O & R), Ambala	..			
Army Factory Accounts, Calcutta	..	+80,83,816	+1,23,43,397	+2,04,27,213
Controller of Military Accounts, Patna	+6,20,884		-93,275	+5,27,609
British Troops, Meerut			+100	+100
Total	+22,34,168	+95,34,474	+3,05,973	+1,20,74,615

The credit balance under column (2) against Northern Command, Rawalpindi brought forward from 1939-40, represents receipts accruing from the disposal of surplus military lands and buildings, held in suspense. The balance against Military Accounts, Patna represents the net balance of the amount realised from the sale of plots under the scheme for the Hastings Military Lands, Calcutta.

The balances under column (3) are payable on receipt of claims for settlement during 1946-47.

The balances under column (4) represent (i) amounts provisionally held under this head pending their readjustments in the accounts for the year 1946-47 and (ii) uncashed cheques on the 31st March, 1946 drawn on Military treasure chests.

Railway Suspense Cr. Rs. 1,33,49,587

229. The balance is made up of .

						Rs.
(i) Remittances into Banks	..	..	..	..	..	Dr 14,11,785
(ii) Cheques and Bills	..	..	..	..	..	Cr 3,56,12,219
(iii) Reserve Bank Suspense						Dr. 1,94,89,216
(iv) Indian Railway Conference Association Employees' Provident Fund Investment Account					Dr	6,89,757
(v) Sind, Punjab and Delhi Clergy Endowment Fund Investment Account					Dr	16,000
(vi) Staff Benefit Fund Investment Account	..	..	..	..	Dr	6,53,874

Net Cr. 1,33,49,587

Head (i) is operated upon as railway earnings are remitted into "banks and treasuries" The balance represents unaccounted for remittances and the difference between the amount accounted for in the treasury accounts and the railway books.

Head (ii) represents uncashed cheques of the railways at the end of March, 1946.

Head (iii) records transactions other than those recorded under "Remittances into Banks" and "Cheques and Bills" respectively which are included in the account received from non-railway accounts officers and have been advised by them to the Reserve Bank for adjustment with railways The reconciliation has been completed on all railways.

Head (iv) exhibits the investments made from the Indian Railway Conference Association Employees' Provident Fund in Government and other securities

Heads (v) and (vi) record investments in Government securities out of Sind, Punjab and Delhi Clergy Endowment Fund and Staff Benefit Fund, respectively.

Suspense Accounts (England) Dr. £25,229,730

280. The details are

I Accounts of the Secretary of State.

	Dr
	£
Investments :—	
(a) Deposits with H M Exchequer in respect of Railway Annuities	20,886,423
(b) Investments from cash balance	257,755
Total	21,144,178

Other items —

(i) Discount on issue of India Loans	2,608,852
(ii) Purchase of India Stock Premium	29,470
(iii) Purchase of Indian Municipal, etc, Stock	4,951
(iv) Sterling Family Pension Funds (Transferred)	—312
(v) Account with the Government of Burma	2,071
(vi) Balances with Sub Accountants	349,751
(vii) Account with the High Commissioner for India	1,188
(viii) Miscellaneous	39,935

Total	3,035,906
Grand Total	24,180,084

II Accounts of the High Commissioner.

	Dr.
	£
(i) Balances with Sub-Accountants	28,644
(ii) Account with the Government of Burma	557,521
(iii) Account with the Secretary of State for India	2,213
(iv) Miscellaneous	461,268
Total	1,049,646
Total Suspense Accounts (England) Dr.	25,229,730

231. The balances under these heads are explained below
SECRETARY OF STATE.

Investments

Item (a) The balance represents outstanding capital portion of an annuity receivable from H M Exchequer in exchange for a sum of £30,054,250 paid in September, 1942 to provide for the Railway Annuity payments falling due on and after 1st January, 1943

Item (b) It represents book value of £231,500 4 per cent Funding Loan, 1960-90, acquired in December, 1942, and held in the name of the Secretary of State. The original cost is being written down to par by half-yearly instalments

Other items

Item (i) *Discount on issue of India Loans* Represents the balance outstanding on 31st March, 1946, of the amount of discount incurred on the issue of sterling loans since 1921-22, which is in course of adjustment by appropriate half-yearly instalments against Revenue

Item (ii) *Purchase of India Stock. Premium* It represents unadjusted portion of excess of cost over par value of £2,150,000 of various India stocks acquired in 1937-38 and cancelled in course of adjustment against Revenue by half-yearly instalments during the remainder of the currency of the stock concerned

Item (iii) *Purchase of Indian Municipal, etc, Stock* The balance represents the cost of sterling debentures of local authorities held by Government on the 31st March, 1946

Item (iv) *Sterling Family Pension Funds (Transferred)* The amount by which the annual receipts of subscriptions, etc, to the 'Transferred Section' of each of the four sterling family pension funds exceed or fall short of the amount of pensions paid, is payable to or recoverable from the Commissioners who now hold the capital of those Transferred Funds. Advances in respect of each year's transactions are made during the year. The balances at 31st March, 1946, are being adjusted in 1947-48

The particulars are :

	Dr £
Amount due from or to the Commissioners —	
Superior Services (India) Family Pension Fund (Transferred)	7,427
Indian Military Service Family Pension Fund (Transferred)	8,487
Indian Military Widows' and Orphans' Fund (Transferred)	1,260
Indian Civil Service Family Pension Fund (Transferred)	—11,966
<i>Net Debit Balance</i>	<i>—312</i>

Item (v) *Account with the Government of Burma* — The amount represents the balance of transactions in the account of the Secretary of State for India which are adjustable with Burma. The balance has been adjusted during 1946-47

Item (vi) *Balances with Sub-Accountants* Represents fixed imposts and outstanding balances of advances given to Banks, Dominion Governments, etc, in respect of their payments on Indian account. The balances on the various accounts have been verified

Item (vii) *Account with the High Commissioner for India* — This account has been introduced as from 1st April, 1937 for the purpose of facilitating financial adjustments between the High Commissioner's Office and the India Office. Formerly, an account current was maintained, receipts and payments by one office on behalf of the other

Head (i) is operated upon as railway earnings are remitted into banks and treasuries. The balance represents unaccounted for remittances and the difference between the amount accounted for in the treasury accounts and the railway books.

Head (ii) represents uncashed cheques of the railways at the end of March, 1946.

Head (iii) records transactions other than those recorded under "Remittances into Banks" and "Cheques and Bills" respectively which are included in the account received from non-railway accounts officers and have been advised by them to the Reserve Bank for adjustment with railways. The reconciliation has been completed on all railways.

Head (iv) exhibits the investments made from the Indian Railway Conference Association Employees' Provident Fund in Government and other securities.

Heads (v) and (vi) record investments in Government securities out of Sind, Punjab and Delhi Clergy Endowment Fund and Staff Benefit Fund, respectively.

Suspense Accounts (England) Dr. £25,229,730

230. The details are

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(b) Investments from cash balance	257,755
Total	21,144,178

Other items :—

(i) Discount on issue of India Loans	2,608,852
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Total	3,035,906
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(i) Balances with Sub-Accountants	28,644
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(iv) Miscellaneous	461,268
Total	1,049,446
Total Suspense Accounts (England) Dr.	25,229,730

231. The balances under these heads are explained below
SECRETARY OF STATE

Investments

Item (a). The balance represents outstanding capital portion of an annuity receivable from H M Exchequer in exchange for a sum of £30,054,250 paid in September, 1942 to provide for the Railway Annuity payments falling due on and after 1st January, 1943

Item (b) It represents book value of £231,500 4 per cent Funding Loan, 1960-90, acquired in December, 1942, and held in the name of the Secretary of State. The original cost is being written down to par by half-yearly instalments

Other items

Item (i) Discount on issue of India Loans Represents the balance outstanding on 31st March, 1946, of the amount of discount incurred on the issue of sterling loans since 1921-22, which is in course of adjustment by appropriate half-yearly instalments against Revenue

Item (ii) Purchase of India Stock Premium It represents unadjusted portion of excess of cost over par value of £2,150,000 of various India stocks acquired in 1937-38 and cancelled in course of adjustment against Revenue by half-yearly instalments during the remainder of the currency of the stock concerned

Item (iii) Purchase of Indian Municipal, etc, Stock The balance represents the cost of sterling debentures of local authorities held by Government on the 31st March, 1946

Item (iv) Sterling Family Pension Funds (Transferred) The amount by which the annual receipts of subscriptions, etc, to the 'Transferred Section' of each of the four sterling family pension funds exceed or fall short of the amount of pensions paid, is payable to or recoverable from the Commissioners who now hold the capital of those Transferred Funds. Advances in respect of each year's transactions are made during the year. The balances at 31st March, 1946, are being adjusted in 1947-48

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	<i>Net Debit Balance</i>
	—312

Item (v) Account with the Government of Burma — The amount represents the balance of transactions in the account of the Secretary of State for India which are adjustable with Burma. The balance has been adjusted during 1946-47.

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Item (vii) Account with the High Commissioner for India — This account has been introduced as from 1st April, 1937 for the purpose of facilitating financial adjustments between the High Commissioner's Office and the India Office. Formerly, an account current was maintained, receipts and payments by one office on behalf of the other

being adjusted against the lump sum transfers of cash made by the Secretary of State to finance the High Commissioner's requirements, but as a result of the new procedure for the accounting and adjustment of Home transactions, whereby the cash requirements of the High Commissioner are drawn directly from the Reserve Bank, revision of the system became necessary. It was accordingly decided in agreement with the India Office to deal with these transactions in the Suspense section through the medium of an account to be settled periodically in cash. The discrepancy between this balance and that shown under "Account with the Secretary of State for India" in the High Commissioner's books is due to the omission from the latter accounts of a credit in transit on 31st March, and items in course of adjustment. The majority of the items outstanding have been cleared in 1946-47.

Item (viii) Miscellaneous, The balance consists of sundry payments in 1943-44 to 1945-46 which are in course of adjustment.

HIGH COMMISSIONER

Item (i) Balances with Sub-Accountants — It represents balances formerly included in the cash balances, but which from the year 1934-35 have been transferred to a new sub-head under "Suspense".

Item (ii) Account with the Government of Burma It represents the amount due from the Government of Burma in respect of payments made initially from the accounts of the High Commissioner for India.

Item (iii) Account with the Secretary of State for India See item (vii) above under Secretary of State.

Item (iv) Miscellaneous It is the net result of miscellaneous debit and credit balances and includes unadjusted debit balances of £33,513 and 315 from advances made to the Government of South Africa and Australia respectively, on account of leave salaries and pensions of officers being paid in South Africa and Australia. The balance also includes an advance of £426,000 against claims for freight and passages. Adjustments are being effected in 1946-47.

Transactions connected with Burma notes **Cr. Rs. 20,69,27,758**

232 The assets transferred by the Reserve Bank against the liability for Burma notes taken over by the Central Government is credited to this head while the payments made by the Reserve Bank from time to time in encashment of Burma notes are correspondingly debited to it. The balance is in course of adjustment during the year 1947-48.

Purchases and Sales of Silver **Cr. Rs. 35,13,71,693**

233 This head replaces the head "Gain or Loss on Revaluation, Sale, Transfer, etc., of Assets of the Paper Currency Reserve—Losses on Sale of Silver" which was formerly used as a suspense head to accommodate the book losses arising out of sales of Currency Reserve Silver. The sum of the loss on sales of silver since the commencement of selling operations and the unadjusted balance under the suspense head "Sales of Silver" were taken as the opening balance of this head on the 1st April, 1935. The equivalent of surplus sterling assets which lapsed to Government on the closing down of the Gold Standard Reserve after allowing for Rs 10 crores retained to constitute the Silver Redemption Reserve, was taken to the credit of this head in the accounts for 1935-36. The value of silver transferred for quaternary coinage and the net profit from the circulation of quaternary coins are also credited to this head. Debits to this head consist mainly of (a) payments to the Reserve Bank for return of coin under Section 36 (1) of the Reserve Bank of India Act, except in so far as such payments to be made in the form of sterling assets from the Silver Redemption Reserve, (b) amount of standard silver rupees returned by the Reserve

Bank in exchange of quaternary rupees and (c) incidental charges connected with silver sales including shipment of silver

The following are the details of the balance :

	Dr Rs	Cr Rs
Central Revenues		30,19,61,595
Bombay	18,13,16,582	.
Bengal		5,23,33,251
Punjab		17,83,93,429
	18,13,16,582	53,26,88,275
Net Credit		35,13,71,693

Sale of Lend/Lease Silver **Cr. Rs. 16,86,34,649**

234 This head has been opened in the books of the Accountant General, Bombay in the accounts for 1944-45 to record transactions for the prices of silver sold to the public and the element of customs duty included in the sale price. The details are —

(1) Prices of silver excluding customs duty	Cr. Rs 15,74,25, 355
(2) Element of customs duty included in the price of silver	Cr. Rs 1,12,09,294

Cheques and Bills **Cr. Rs. 2,35,72,812**

235. The following are the details

	Rs.
Pre audit and Departmental Cheques, Central Revenues	2,35,180
" " " " Supply Accounts (Civil) ..	1,23,33,336
" " " " Food Accounts ..	36,10,913
" " " " Madras ..	3,38,314
" " " " Bombay	50,98,584
" " " " Bengal	16,22,557
" " " " United Provinces	1,07,780
" " " " Punjab	1,88,075
" " " " Central Provinces and Berar	10,027
" " " " Assam	—16
" " " " North-West Frontier Province	8,761
" " " " Sind	19,301
Total	2,35,72,812

The credit balances represent the value of cheques issued but remaining unpaid on the 31st March, 1946. Differences between the broadsheet and the ledger balances have been adjusted except in certain cases in Central Revenues, Rs. 6,48,762 in Supply Accounts (Civil), Rs 5 in Madras, Rs 16,112 in Bombay, in certain cases in Bengal and Rs 100 in Panjab. The debit balance in Assam has been adjusted in the accounts for 1946-47

Departmental and Similar Accounts **Dr. Rs. 4,97,05,074**

236 The debit balance under this head is composed of cash balances in the hands of several disbursing officers of different departments. These do not form part of general cash balance of Government

Civil Departmental Balances—

	Dr Rs	Dr Rs
Central Revenues	14,90,868	
Baluchistan	38,048	
Supply Accounts (Civil)	137	
Madras	3,54,031	
Bombay	9,09,858	
Bengal	14,20,738	
United Provinces	83,003	
Punjab	5,44,797	748
Central Provinces and Berar		25,098
North-West Frontier Province		15,998
Orissa		250
Coorg		
		48,83,572
Posts and Telegraphs Cash Balances	..	322,61,985

	Dr	Dr
	Rs	Rs
Defence Services Cash Balances—		
North-Western Army, Rawalpindi	2,74,065	
Military Accounts and Pensions, Lahore	..	—37,39,507
Southern Army, Poona	43,43,163	
Eastern Command, Meerut	5,66,640	
Naval Accounts, Bombay	17,84,883	
Eastern Command, Patna	21,20,422	
		53,50,266

Indian Government Railway Cash Balances—			
Revenue Account	.	72,03,597	
Capital Account	.	5,654	72,09,251
	Total Dr		4,97,05,074

Civil Departmental Balances . Dr. Rs. 48,83,572

237 The details are -

Public Works				2,04,232
Salt and Customs		..		3,77,032
Mint				21,55,492
Other Departments	..	..	..	21,46,816
			Total	48,83,572

The balances agree with those shown in the departmental accounts except for a difference of Rs 4,338 under Baluchistan and in certain cases in Central Revenues and Bengal.

Posts and Telegraphs Cash Balances Dr. Rs. 3,22,61,985

238 The balances represent cash and stamps in the hands of Postmasters and cash in the hands of other subordinate officers of the department on the 31st March, 1946. The balances have been verified with the separate cash balance certificates received from the Postmasters, Telegraph Masters, etc., except in 8 cases, which are under correspondence.

Defence Services Cash Balances Dr. Rs. 53,50,266

239 These are made up of (i) debit balances representing the actual cash balance on the 31st March 1946 in the hands of Military Treasure Chest Officers and other disbursing officers of the department and (ii) credit balances representing the amounts due to Officer Commanding Units and Formations on account of undrawn pay and allowances of British soldiers and airmen

Indian Government Railway Cash Balances Dr. Rs. 72,09,251

240 The amount represents cash balances in the hands of the disbursing officer on the 31st March, 1946. Certificates regarding the verification of cash are still awaited in six cases on the Bengal and Assam Railway. The balances of Rs. 1,712 cash with various disbursing officer, could not be verified on the 31st March, 1946 on the Bengal Nagpur Railway in the case of 61 grain shops. There was a misclassification of Rs. 756 on the same Railway out of which Rs. 659 has been adjusted and the balance is under adjustment.

On the Great Indian Peninsula Railway, the sum of Rs. 38 was short certified, out of which Rs. 30 has been adjusted in the accounts for 1946-47 and the balance is under settlement. The loss of cash on the Great Indian Peninsula Railway amounting to Rs. 20 due to explosion and disturbance has been written off under sanction of the competent authority.

Transactions connected with the War, 1939 .. Dr. Rs. 96,25,608

241. The following are the details

Heads of Account. (1)	Central Revenues (2)	Madras (3)	Bombay (4)	Bengal (5)	United Provinces (6)	[Credit + Debit—]	
						Sind. (7)	Total (8)
						Rs	Rs
Advances repayable							
Cost of reserve stock of equipments for training of war technicians				—7,770			—7,770
Expenditure on British subjects (other than Indians) evacuated to India	—13,80,643	.		—69,805	—314		—14,50,762
Expenditure on evacuees from war zones	—2,887		—2,87,017				—2,89,904
Cost of Air Raid Precaution equipment supplied centrally		—717	—21,453		1,83,125		—5,05,295
Expenditure in connection with internees		—1,352					—1,352
Expenditure in connection with the maintenance of Japanese consular officials	—74,19,511						—74,19,511
Undisbursed pay of members of Civil Pioneer Force	+49,516		—530				149,516
Total	—87,53,525	—2,599	—3,08,470	—77,575	—4,83,125	—314	—96,25,608

Advances repayable Dr. Rs. 7,770

242. The amount represents advances received by dependants of deceased lascars killed in enemy action in Bengal.

Cost of reserve stock of equipments for training of war technicians

Dr. Rs. 14,50,762

243. This head has been opened to record transactions on account of value of stores supplied to different training centres under the Technical Training Scheme.

Expenditure on British subjects (other than Indians) evacuated to India

Dr. Rs. 2,89,904

Expenditure on evacuees from war zones

Dr. Rs. 5,05,295

244. These heads have been created for exhibiting transactions connected with advances and other financial assistance afforded to evacuees initially charged thereunder pending adjustment under the final head of accounts as ordered by the Central Government.

Cost of Air Raid Precaution equipment supplied Centrally

Dr. Rs. 1,352

245. Details of the transactions are under scrutiny by the Accountant General, Madras.

Expenditure in connection with internees Dr. Rs. 74,19,511

246 The above minor head has been opened to accommodate the expenditure on civil enemy prisoner. The expenditure on internees will be apportioned between the various countries from which they have been brought.

Expenditure in connection with the maintenance of
Japanese consular officials Cr. Rs. 49,516

247 This minor head has been opened to record expenditure concerning Japanese consular officials in India. The suspense head is to be cleared from the Japanese official funds.

Undisbursed pay of members of Civil Pioneer Force Dr. Rs. 530

248 The balance represents undisbursed pay of members of Civil Pioneer Force which is adjustable to the head in the deposit section of the accounts. Necessary adjustments for the transfer are being made in the accounts for 1946-47.

Payments made to Reserve Bank for loss of currency
due to enemy action Dr. Rs. 12,71,700

249 The amount comprises payment to the Reserve Bank in respect of balances of notes and coins held in the Port Blair currency chest presumed to have been lost due to enemy action. The suspense head has been cleared in the accounts for 1946-47.

PART V MISCELLANEOUS.

250. The details are:

India	..	..	..	..	..	Cr. Rs. 7,177
England	..	..	..	..	..	Cr. £1,085,316

India. The credit balance represents the amount of the contribution money received in excess from the Bikaner Durbar towards its share of expenditure on the Sutlej Valley Project and has been adjusted in the accounts for 1946-47.

England — The balance is accounted for by the

			Cr.	
			£	
Secretary of State	967,287
High Commissioner	118,049
			Total ..	1,085,316

The credit balance in the books of the Secretary of State includes a sum of £13,851 on account of British Income Tax collected at the India Office not paid over to H. M. Imperial Government by the 31st March, 1946, but adjusted in 1946-47.

It also includes the sum of £953,152 pertaining to miscellaneous receipts and credits in course of adjustment.

The credit balance shown against High Commissioner is the result of various credit items. Most of the items have been adjusted in 1946-47.

**SECTION Q. LOANS AND ADVANCES BY THE
CENTRAL GOVERNMENT**

Dr. Rs. 61,03,20,450

251. This section is sub-divided into the following divisions

	Dr Rs
Advances to Provincial Governments	52,13,20,270
Advances to Crown Representative	15,21,349
Loans to Indian States	53,58,696
Loans to Local Funds, etc	8,16,27,604
Loans to Government Servants	4,92,531
Total	61,03,20,450

Advances to Provincial Governments Dr. Rs. 52,13,20,270

252. The debit balance under this head represents the outstanding liability in respect of the loans granted by the Central Government to the Provincial Governments. It includes the balances of the liabilities of the Provincial Governments to the Provincial Loans Fund on the 31st March, 1937 which were not cancelled under the scheme for the decentralisation of balances and the cancellation and consolidation of debt on the introduction of Provincial autonomy

The amounts of the balances of loans outstanding against the Governments concerned are given below :

	Dr Rs
Madras	4,48,22,908
Bombay	16,67,57,001
Bengal	3,84,14,400
United Provinces	14,99,61,562
Punjab	7,85,45,857
Central Provinces and Berar	2,11,38,200
Orissa	28,24,447
Sind	1,88,55,895
Total	52,13,20,270

Advances to Crown Representative Dr. Rs. 15,21,349

253. The balance represents the outstanding liability in respect of the advances made by the Central Government to the Crown Representative for loans to Indian States, Notabilities, etc. The following are the details of the balance

Heads	Central Revenues	Madras	Bombay	Bengal	Orissa	Total.	
						(1)	(2)
						(3)	(4)
Loans to Indian States	Dr	..	22,632		10,794	33,426	
Loans to Notabilities	,,	56,888	2,000				58,888
Other Advances	,,	75,000		13,54,035			14,29,035
Total		1,31,888	2,000	22,632	13,54,035	10,794	15,21,349

The balances on the books of the Accountant General, Central Revenues, consist of amounts outstanding against Mirza Khairuddin of the Delhi Family (Rs 56,888) and Abu Municipality (Rs. 75,000).

The balance of Rs 2,000 in Madras represents the amount of the loan outstanding against Sri Raja Sri Raja Ram Sahib of the Tanjore family.

The balance of Rs 22,632 in the Bombay books represents the balance of advances made by the Central Government to the Crown Representative for loans to Indian States in the Western India States Agency.

The balance of Rs 13,54,035 under ' Other Advances ' in Bengal represents the amount of loans granted to the Eastern States Joint Police Fund and is sub-divided into the following two detailed heads

	Dr Rs
Recurring Capital	6,13,569
	7,40,466
Total	13,54,035

The loan for recurring expenditure is free of interest while that for capital expenditure bears interest

The balance of Rs 10,794 under Orissa represents the outstanding amount of the loan of Rs 30,000 advanced by the Crown Representative to Ranpur Durbar during 1941-42. This loan bears interest at 4 per cent. per annum and is repayable by the Durbar in six annual equated instalments

Loans to Indian States	Dr. Rs.	53,58,696
------------------------------	---------	-----------

254 It represents (i) the balance of loans made by the Central Government to Indian States prior to 1st April, 1937 and (ii) loans to Indian States subsequent to that date in pursuance of direct arrangement with the States, in most cases a business one. The following are the details :

	Dr. Rs
Central Revenues	678,535
Madras	43,22,454
Bengal	2,47,707
North-West Frontier Province ..	1,10,000
Total	53,58,696

The balance on the books of the Accountant General, Central Revenues, consists of outstandings against the Bundi and Jaisalmer States

The balance on the books of the Accountant General, Madras, represents the amount of loans advanced to Cochin and Mysore States. As regards the loan outstanding against Mysore the Special Officer, Silk Filature Expansion Scheme has been addressed for (i) acceptance of the balance and (ii) details of the principal refunded and payments made towards interest due on the recoverable loans

The balance in Bengal books represents the balance of the loan to the Tipura State.

The balance in the North-West Frontier Province represents loans outstanding against two Indian States. These loans are free of interest.

Dr. R.S. 8,16,27,804

Loans to Local Funds, etc. ..
255. The following are the details—

Heads	Central Revenues	Baluchi- stan	Madras	Bombay	Bihar	North- West Frontier Province	Coorg.	Defence	Total			
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Loans to Major Port Trusts and Port Funds				1,49,64,060	3,08,32,259	56,94,689						
Loans to Municipalities		83,79,443		4,86,037								
Regimental and other Loans												
Loans to District and other Local Fund Committees		60,20,660			1,54,000	1,31,702						
Loans to Landholders and other Notabilities				481								
Advances to Cultivators		5,06,671		3,75,511								
Advances under Special Laws		60,19,480										
Miscellaneous Loans and Advances		68,39,377				47,444	36,013					
Total	2,74,31,641	8,62,029	1,49,64,060	3,08,32,259	56,94,689	1,70,146	1,13,803	4,16,463	9,78,514	8,16,27,604		

Loans to Major Port Trusts and Port Funds Dr. Rs. 5,14,91,908

256. The balances are composed of the following

		Rs
Madras	(i) Madras Port Trust	90,23,904
	(ii) Cochin Port Fund	53,66,956
	(iii) Vizagapatam Port	5,74,100
Bombay	(iv) Bombay Port Trust	3,08,32,259
Bengal	(v) Chittagong Port Fund	56,94,689
	Total	5,14,91,908

Item (ii) represents the balance of loans due from the Landing and Shipping Dues Fund which has been amalgamated with the Port Fund. In respect of an interest-free loan of Rs. 3 lakhs included under this item, no repayment has been made. The fixation of the terms for its repayment has been ordered by the Central Government to be deferred until repayment of loans advanced for the Fourth Stage Works of the Harbour is completed or till the working of the Port shows a satisfactory surplus after providing for the repayment of the instalment for the Fourth Stage Works loans. Item (iv) is made up of two interest-free loans of Rs 14,900 and Rs. 5,59,200 granted during 1941-42 and 1942-43 to cover the deficit in the Port Fund Accounts. The management of the Port has been transferred to the Bengal-Nagpur Railway authorities from 1st April, 1946. The above debit balance will be transferred to that Railway on receipt of acceptance from the Railway Authorities.

Loans to Municipalities Dr. Rs. 88,65,480

257. The balance under this head is made up of Rs 32,212, Rs 4,03,031, Rs. 79,44,200 and Rs. 4,86,037 being the balances of loans granted to Ajmer, Delhi, New Delhi and Quetta Municipalities respectively. The Quetta Municipality was allowed to commence the repayment of loans aggregating Rs 5,48,000 from 1942-44 up to which year only interest was paid.

Regimental and other Loans (Defence) Dr. Rs. 9,78,514

258. The amount is made up of Rs 4,900 representing advances to Canteen Stores, etc. and Rs 9,73,614 being the balance due from the Poona Cantonment Board and the net deficit on the working of Vizagapatam Port.

Loans to District and other Local Fund Committees Dr. Rs. 59,12,362

259. The balance of Rs 56,26,660 under Central Revenues is made up of Rs. 18,000 and Rs 56,08,660 representing the balances of loans to the Notified Area Committee, Shahdara and the Delhi Improvement Trust respectively. The amount outstanding on the books of the Accountant General, Bombay, (Rs 1,54,000) represents the balance of loan granted to the Civil Administration, Kamaran for Kamaran Quarantine Station Fund. The remaining balance of Rs 1,31,702 relates to Bihar and represents the aggregate balance of the two loans granted to the Ranchi European Mental Hospital.

Loans to Landholders and other Notabilities Dr. Rs. 481

260. The balance of Rs 492 relates to the loan granted to Mir Allah Dad Khan in Baluchistan. A sum of Rs. 11 overpaid by one party during the year has since been refunded during 1946-47.

Advances to Cultivators Dr. Rs. 14,37,535

261 The balances under this head represent outstandings on account of advances made under the Land Improvement Act, the Agriculturists' Loans Act and Loans under the Co-operative Societies Act. The detailed accounts of these loans are maintained by the District and Revenue Authorities who are also responsible for watching the recoveries of principal and interest. The verification of these balances, therefore, consists chiefly in agreeing the ledger balances with the aggregate of the balances worked out in the broadsheets kept in the Civil Accounts Offices, the latter being reconciled with the administrative balances certified by the District or other responsible officers concerned.

Acceptance certificates have not been received in the case of Baluchistan. There is a difference of Rs. 67,162 between the ledger and broadsheet balances in Baluchistan which is under settlement. The acceptances of balances are awaited in three cases each in the cases of North West Frontier Province and Coorg.

Advances under Special Laws Dr. Rs. 60,19,480

262 The balance under this head is made up of Rs. 59,61,587 being the amounts recoverable from the Delhi Joint Water Board and Rs. 57,903 on account of advances made to the Istimardars of Ajmer. The acceptance of the balance by the Commissioner, Ajmer-Merwara is awaited.

Miscellaneous Loans and Advances Dr. Rs. 69,21,884

263. The balance on the books of the Accountant General, Central Revenues, is made up partly of the balances of loans granted to the New Delhi Gymkhana Club, the Young Women's Christian Association, Delhi Central Electric Power Authority, Limited and loans to Kazaks. In the case of the New Delhi Gymkhana Club, the certificate of the Government nominee to the effect that the conditions of the loans have been substantially fulfilled has not been received. The balance in Bihar represents the aggregate balances of the two loans granted to the Rescue Station Committee, Dhanbad to enable it to meet the initial expenditure in connection with the establishment of the Rescue Stations. Certificates of acceptance of the balances are awaited. The balance in the North-West Frontier Province represents balances of the loans of Rs. 60,000 granted in 1939-40 to the Post Fund, Wana for constructing bazars at Wana and Rs. 41,489 granted to owners of South Waziristan Convoy Vehicles to enable them to meet a part of the cost of lorries taken for transport service.

Loans to Government Servants Dr. Rs. 4,92,531

264 This sum represents the balance of temporary advances granted to Central Government servants for house-building, purchase of motor cars and similar purposes at prescribed rates of interest. The distribution of advances between Civil and Non-civil Departments is as follows:

		Dr Rs.
Civil Department Advances	..	1,42,163
Non-civil Department Advances	..	3,50,368
Total	..	4,92,531

Dr. Rs. 1,42,163

Loans to Government Servants.

Civil Department Advances

265 The following are the details.—

Heads	Central Reve- nues	Supply Ac- counts (Civil)	Food Ac- counts	Bal- uchistan	Madras	Bom- bay	United Pro- vinces.	Punjab	Bihar.	Central Pro- vinces and Berar	Assam.	Frontier Province	Sind	Orissa	Total	
House-building advances	—1,869									—350						—2,296
Advances for the purchase of motor conveyances	4,956				7,013	2,079	683	—1,556	11							13,186
Advances for the purchase of other conveyances	81,252	13,748	7,971	2,121	1,999	4,937	2,670	905	2,599	2,916	19	30	826	670	986	1,23,849
Passage advances	3,393				558	470	3,528	—136								7,813
Other advances						630	—20									610
Total	87,732	13,748	7,971	9,092	8,178	9,118	502	916	2,529	2,810	10	30	826	670	986	1,42,163

266. *House-building advances.* The outstanding balance in Central Revenues is under adjustment. In Bengal, the balance is being readjusted in the accounts for 1946-47.

267. *Advances for the purchase of motor conveyances.* The differences between the ledger and the broadsheet balances have been adjusted except Rs 186 in Central Revenues, Rs 3,184 in Baluchistan. The acceptance certificates have not been received in two cases in Madras. In Bengal, the credit balance is under readjustment.

268. *Advances for the purchase of other conveyances.* The differences between the ledger and the broadsheet balances have been adjusted except Rs 7,844 in Central Revenues, Rs. 5 in Supply Accounts (Civil), Rs 260 in Madras, Rs 7 in the United Provinces, Rs 126 in Punjab, Rs 17 in Bihar. Certificates of acceptances are awaited in some cases in Central Revenues, 39 cases in Supply Accounts (Civil), 52 cases in Food Accounts, 27 cases in Madras, 4 cases in Bombay, 13 cases in United Provinces, 36 cases in the Punjab and one case in Bihar. Under Central Revenues, a sum of Rs. 14 has been written off during the year under report.

269. *Passage advances.* The difference of Rs 52 between the ledger and the broadsheet balances in Baluchistan is under settlement.

270. *Other advances.* The credit balance in Bengal is being readjusted in the accounts for 1946-47. In Madras the difference of Rs 8 between the ledger and the broadsheet balances is being adjusted in the accounts for 1946-47.

Loans to Government Servants

Non-civil Department Advances .. Dr. Rs. 3,50,368

271 The following are the details

Non civil Departments	House building Advances	Advances for the purchase of Motor conveyances	Advances for the purchase of other conveyances	Passage Advances	Other Advances	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Posts and Telegraphs—	Rs	Rs	Rs	Rs	Rs	Rs
Bearing Interest		738	1,43,442	210	200	1,44,620
Not bearing Interest		720				720
Total		1,458	1,43,442	240	200	1,45,340
Defence						
North Western Army, Rawalpindi	..		8,355			8,355
Military Accounts and Pensions, Lahore			40,512			40,512
Southern Command Poona			7,705			7,705
Eastern Command, Patna			2,827			2,827
Eastern Command, Meerut			13,543			13,543
Air Forces, Dehra Dun			5,498			5,498
Army Factory Accounts, Calcutta			13,353			13,353
Military Railway Claims, Calcutta			1,038			1,038
Naval Accounts, Bombay			1,100			4,100
Audit Officer, British Troops, Meerut			2,174			2,174
Field Controller of Military Accounts, Poona			7,909			7,909
Supply Accounts (Defence) Delhi			2,665			2,605
Field Accounts (Other Ranks), Ambala			35,068			35,068
Total—Defence			1,44,747			1,44,747
Railways—Revenue Account	2,600	48,502	9,179			60,281
GRAND TOTAL	4,058	3,36,691	9,419	200		3,50,368

272 *Posts and Telegraphs* In respect of "Advances for the purchase of motor conveyances the annual acknowledgment has been called for. The annual acknowledgments in acceptance of the balances under the head "Advances for the purchase of other conveyances" have been obtained except in 501 cases. Action has been taken to obtain the acknowledgments.

The acknowledgments in the cases of the outstanding balances under "Passage advances" and "Other advances" could not be obtained as the officials are on extraordinary leave without allowances in England. The matter is under correspondence.

In the case of the balance pertaining to advances not bearing interest, acknowledgment has not yet been received.

273 *Defence Advances for the purchase of other conveyances.*

The number of outstanding acknowledgments is 1,037. The Controllers concerned have been instructed to obtain acknowledgments as soon as possible.

274 *Railways* The acceptances of the balances have been obtained from the officers concerned except in certain cases on the East Indian, the Bombay, Baroda and Central India, the Railway Collieries, the Bengal Nagpur and the North Western Railways. Recoveries were duly made during the year except in a few cases on the Great Indian Peninsula, the Bengal Nagpur, the Railway Collieries, the Bombay Baroda and Central India, the East Indian and the North Western Railways. Steps are being taken to set right the same during 1946-47. Small differences between the ledger and broadsheet balances were noticed on the North Western and the East Indian Railways and are under investigation.

SECTION S. REMITTANCES

275 This head consists of .

Head of Account.	Cr (1)	India.		England. (4)
		Rs.	Rs.	
I.—Remittances within India—				
Money Orders	..	4,48,97,398	..	..
Cash Remittances and Adjustments between Officers rendering accounts to the same Accountant General or Comptroller	11,75,69,156	..
Reserve Bank of India Remittances	..	1,08,68,596	..	..
Remittances adjusted on the Central Books	20,859	..
Adjusting Account between Central and Provincial Governments	3,15,96,999	..
Adjusting Account with Railways	63,77,876	..
Accounts with Provinces, etc.	..	12,88,680	..	..
Accounts between Departments	20,30,52,057	..
Transfers between Railways	4,701	..
Total I.—Remittances within India	..	5,68,54,674	35,86,21,147	..
II.—Remittances between England and India—				
Remittance Account between England and India	9,55,546	22,628,826
Total—Remittances	..	5,68,54,674	35,95,76,603	..
Net Total	80,27,22,019	22,628,826

I. REMITTANCES WITHIN INDIA

Money Orders	Cr.	Rs	4,48,97,398
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276. The balance under this head represents the difference between the receipts and payments in respect of Inland Money Orders issued of the years 1944-45 and 1945-46. The accounting process is not, however, complete unless the ledger balance has been reconciled with the actual amount of unpaid Money Orders picked out from the lists of Money Orders issued. In practice, there are always some differences between the two sets of accounts due to errors in the various stages of work done in Post Offices and the Audit Offices. As these differences represent the extent to which accounting methods fall short of an absolute standard of efficiency, they are reported annually to the Auditor General of India to enable him to judge the efficiency of audit in this field. The amount of unexplained difference at the end of 1945-46 in respect of Money Orders issued in the year 1943-44 reported to the Auditor General, was Rs 16,91,924.

Cash Remittances and Adjustments between Officers rendering accounts to the same

277 The following are the details

Heads of Account	Central Revenues.	Supply Accounts (Civil)	Baluchistan	Madras	Bombay	Bengal	United Provinces.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	Rs	Rs	Rs	Rs.	Rs	Rs	Rs.	
Civil—								
Cash Remittances between Treasuries	..			+7,106	+5,23,000	..	..
Salt Remittances		..	..	-63,967	-1,58,292	..	..
Forest Remittances	-82,537		+43,476		-3,24,438	+3,017	+50,787	
Public Works Remittances	-6,71,43,499		-11,39,746	-2,45,220	+4,492	-20,52,203	+9,36,967	
Transfers between Public Officers	-3,32,50,018		-3,244	..	..	..	..
Transfers between Supply Officers	..	-10,91,060			..	..	..
Mint Remittances					49,159	-25,32,597		
Small Coin Depot Remittances	+18,78,944	..	+37,050	-84,686	-1,62,795	-1,78,213	15,889	
Miscellaneous Remittances	+34,800			+59,004	-4,02,381	+12,14,081	..	
Baluchistan Suspense	..		-5,52,372			..	..
Coorg Suspense							..	
Total	-9,85,62,310	-10,91,060	-5,10,092	-3,27,763	-5,69,573	-35,45,915	+9,41,865	
Departmental—								
Transfers between Officers of Military Engineers Services	..	..	..	..	..	..	..
Posts and Telegraphs Remittances	..	..	..	..	..	..	..
GRAND TOTAL	-	-9,85,62,310	-10,91,060	-5,10,092	-3,27,763	-5,69,573	-35,45,915	+9,41,865

Accountant General or Comptroller .. Dr. Rs. 11,75,69 156

(Credit +, Debit -)

Punjab	Bihar	Central Provinces and Berar (11)	Assam	North-West Frontier Province	Orissa	Coorg	Total
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
..	..	..	..		—85,500		+4,44,606
..	..	..	..		+3,700	..	—2,18,559
..		+21,602	..	+140	+3,27,410	+1,138	+40,595
+10,283	—3,10,060	—3,01,973	+15,158		—114	+15,343	—7,02,10,572
			—1,444		..	..	—3,32,54,706
			..		..	..	—10,91,060
—2,866		..				..	—25,84,622
—1,100	—8,582	+10,000	+2,37,420				+16,82,149
		..			40		+9,05,464
		..		..			+5,52,372
		..	..	..		—1,15,094	—1,15,094
+6,317	—3,18,642	—2,71,815	+2,52,578	+140	+3,30,956	—1,84,113	—10,38,49,427
		..				..	—29,76,632
		..			..	..	—1,07,43,097
+6,317	—3,18,642	—2,71,815	+2,52,578	+140	+3,30,956	—1,84,113	—11,75,69,156

278 This head comprises two different kinds of transactions, one being remittances in actual cash between treasuries and departments rendering accounts to the same Account's Office, each separate remittance of this kind is watched through a remittance register. The transactions of the other class are purely book adjustments made within the accounts of the same Accounts Office, which are watched through separate registers maintained for the purpose.

279 *Forest Remittances* Differences of Rs 8,656 under Bombay and Rs 1,543 under United Provinces between broadsheet and ledger balances are under reconciliation.

280 *Public Works Remittances* Differences of Rs 57,67,028 under Central Revenues, Rs. 11,84,761 under Baluchistan, Rs 2,44,482 under Madras, Rs 1,543 under United Provinces, Rs 10,421 under Bihar and Rs 842 under Central Provinces and Bihar between broadsheet and ledger balances are in course of settlement.

281 *Transfers between Supply Accounts Officers* The old outstandings are under adjustment.

282 *Mint Remittances* The net debit balance under Bombay comprises of credit items aggregating Rs 3,14,713 and debit items amounting to Rs 3,63,872. Major portion of debit amount pertains to remittances of coins from the Mint to the Reserve Bank. Similarly the major portion of the credits pertains to remittances received in the Mint from the treasuries.

283 *Small Corn Depot Remittances* The balances are under adjustment.

284 *Baluchistan Suspense* This head appears on the books of Central Revenues and Baluchistan. It is a running account of transactions originating in the accounts of Central Revenues on account of Baluchistan and in the accounts of Baluchistan on account of Central Revenues. The balance represents the balance of transactions between the accounts of Central Revenues and Baluchistan which could not be adjusted completely in the year under report.

285 *Coorg Suspense* This head represents similar transactions between Coorg and Madras in the books of the Accountant General, Madras.

286 *Transfers between Officers of the Military Engineers Services* The unadjusted balance under this head mainly representing the cost of stores, etc. transferred between the Officers of the Military Engineers Services is being cleared during 1946-47.

287 *Posts and Telegraphs Remittances*. The balance under this head is composed of

	Dr Rs
(1) Transfers between Postal and Telegraph Officers within the jurisdiction of the same Audit Office	5,76,664
(2) Transfers between Postal and Telegraph Officers within the jurisdiction of other Audit Offices	1,01,66,433
Total	1,07,43,097

The balances are being adjusted in the accounts for 1946-47.

Reserve Bank of India Remittances	Cr.	Rs.	1,06,68,596
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288 A scheme was introduced by the Reserve Bank of India with effect from the 1st October, 1940 to standardise and extend remittance facilities throughout India and Burma. At places where the Reserve Bank has no offices of its own or is not represented by offices or branches of the Imperial Bank, the issue and payment of telegraphic transfers and drafts on Reserve Bank account is undertaken by Government treasuries and sub-treasuries as "Treasury Agencies" of the Bank. Receipts and payments taking place in treasuries on this account are accounted for under this head, and are initially carried against Government balances until cleared with the Bank through daily advices of drawings and encashments. The debits and credits booked under this head are ultimately cleared by corresponding adjustments under the head "Reserve Bank Deposits".

The details of the balance by circles of account are as under

			Rs
Central Revenues			1,10,39,701
Bombay	..	..	3,91,745
Punjab	..	..	20,640
		Net Cr.	1,06,68,596

The outstanding balances were due to late receipt of treasury schedules after the close of the accounts for March, 1946.

Remittances adjusted on the Central Books	Dr.	Rs.	20,859
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289 This head consists of two parts viz, (1) Foreign Remittances and (2) Central Adjusting Account. The outstanding balance of Rs. 20 under the former head has since been adjusted in the accounts for 1946-47. The balance under Central Adjusting Account is made up of (i) Dr Rs 32,122 and (ii) Cr Rs 11,283. The items included therein have mostly been already adjusted in the accounts for 1946-47 and the remaining items are also expected to be cleared in the accounts for the same year.

Adjusting Account between Central and Provincial			
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Governments	Dr Rs 3,15,96,999
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290 The transactions between the Central and the Provincial Governments are settled by the correction of their respective balances through the Reserve Bank of India. Until this correction is effected, the transactions are kept in the books of the originating Accounts Circle under the head "Adjusting Account between Central and Provincial Governments". The above balance represents the outstanding amount for which monetary settlement could not be effected in the Reserve Bank's accounts for the year 1945-46.

Adjusting Accounts between Central and
291. The details of the balance by circles

Circles of account.	Central Revenues	Supply Accounts (Civil)	Food Accounts.	Madras	Bombay	Bengal.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rs	Rs	Rs	Rs	Rs	Rs
Adjusting Account between Central Revenues and Supply Accounts, Civil	.	—5,37,380	.	..	..	..
Do Contoller of Food Accounts	..	..	—1,151	..	..	..
Do Madras	—39,13,025	.	.	+4,91,328	.	..
Do Bombay	—8,82,287	..	.	.	—17,00,192	..
Do Bengal	—8,66,301	.	..	.	.	—55,50,680
Do United Provinces	—10,30,320	..	.	..	..	..
Do Punjab	—11,61,039	.	.	.	..	..
Do Bihar	—8,59,074	.	.	.	..	..
Do Central Provinces and Berar	+25,547	.	.	.	.	..
Do Assam	+57,160	.	.	.	..	..
Do North West Frontier Province	+17,118	.	.	..	.	..
Do Orissa	—3,049	.	.	.	.	.
Do Sind	—21,423	.	.	.	.	.
Total	—86,16,753	—5,37,380	—1,151	+ 4,91,328	—17,00,192	—55,50,680

Provincial Governments *concl'd.*

of account are given below.

(Credit +, Debit -)

United Provinces (8)	Punjab (9)	Bihar (10)	Central Provinces and Berar (11)	Assam (12)	North-West Frontier Province (13)	Orissa. (14)	Sind (15)	Total (16)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
					..	..		—5,37,380
					..	..		—1,151
					..	..		—34,21,607
					..	..		—25,92,479
					..	..		—64,16,981
—22,51,135								—32,81,455
	—10,47,798							—22,08,897
		—28,28,701						—36,87,775
			—19,42,888					—19,17,341
				—37,98,280				—57,41,120
					4,50,897			4,33,779
						—1,46,135		—1,49,184
							—11,86,337	—12,07,760
—22,51,135	—10,47,798	—28,28,701	—19,42,888	—57,98,280	—4,50,897	—1,46,135	—11,86,337	—3,15,96,992

Adjusting Account with Railways	..	Dr. Rs.	63,77,375
Accounts with Provinces, etc.	..	Cr. Rs.	12,88,680

292 Owing to the *pro forma* separation of the balances of Railways from the balances of the Central Government from the 1st April, 1939, all transactions with or on behalf of Railways arising in the accounts of the Central (Non-Railways) and Provincial Governments are adjusted with the reserve Bank against the balance of the *pro forma* Railway Fund. These two major heads have been opened for the initial adjustment of transactions with Railways. The former head is operated upon by all Civil Accountants General, while the latter head is used by the Railway Accounts Officers concerned in connection with the transactions originating in the Railway accounts which are adjustable against the balances of the Central and the Provincial Governments. The above balances represent the outstanding amounts for which monetary settlement could not be effected in the Reserve Bank's accounts for 1945-46.

Adjusting Account with Railways. The balance under this head consists of
 (i) Rs 26,70,788 (debit) on the books of the Controller of Supply Accounts (Civil) and

(ii) Rs 37,41,667 (debit) on the books of the Accountant General, Central Revenues

(iii) Rs. 35,080 (credit) on the books of the Controller of Food Accounts

Accounts with provinces, etc. The balance under this head represents outstanding amount for which monetary settlement could not be effected in the Reserve Bank's Account, during the year under report. It comprises South Indian Railway (Rs 82,606, credit), North Western Railway (Rs 1,19,620, credit), Great Indian Peninsula Railway (Rs 13,70,544, credit), Madras and Southern Mahratta Railway (Rs 69,075, debit), Oudh and Tirhut Railway (Rs 26,950, debit), Bengal and Assam Railway (Rs 17,680, credit), Bengal Nagpur Railway (Rs 1,27,816, credit), Railway Collieries (Rs 16,77,823, debit) Railway Board (Rs 58, credit), Cochin Harbour (Rs 13,61,054, credit) and East Indian Railway (Rs 16,650, debit).

Three cases of misclassifications noticed during test audit have resulted in a short debit of Rs 1,88,401.

The balances under the above two heads are being cleared in 1946-47.

Accounts between Departments	..	Dr. Rs.	20,30,52,057
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293 The balances recorded under this head differ in kind from those reviewed in the previous paragraphs as they represent balances between two of the sets of accounts in respect of the amount by which one set of accounts could not take up the debits and credits passed on to it by the other. As balances, therefore, they do not exist elsewhere than upon the Central books, for each local Accounts Officer writes off each year, the amounts which he passes on to another. The following are the separate ledger balances under this account :

	Dr Rs	Cr. Rs
Accounts between Civil and Civil	12,06,23,246	..
Exchange Accounts between Defence Accounts Officers (including Navy)	1,26,78,482	..
Exchange Accounts between Posts and Telegraphs and Defence Services (including Navy)	1,49,51,906	43,13,376
Exchange Accounts between Civil and Posts and Telegraphs		43,13,376
Exchange Accounts between Civil and Defence Services (including Navy).	5,91,11,799	..
<i>Total</i>	20,73,65,433	43,13,376
<i>Net Dr.</i>	20,30,52,057	

294 The net debit of Rs 20,30,52,057 is composed of

		Dr	Cr.
		Rs	Rs
Cheques		81,73,582	9,37,59,388
Miscellaneous Items		19,91,91,851	-8,94,46,012
	Total	20,73,65,433	43,13,376
	Net Dr	20,30,52,057	

Cheques. The debits represent payments made on cheques during 1945-46 for which corresponding credits were not afforded till the following year, while the credits represent the amount of cheques issued in 1945-46 but not paid during the year.

Miscellaneous Items The outstandings have been mostly adjusted in the accounts for 1946-47 with the exception of a few disputed claims. The progress of adjustment has been generally satisfactory. The outstandings are subject to a careful scrutiny in the office of the Auditor General of India and steps are taken to adjust them as expeditiously as possible.

Transfers between Railways Dr Rs 4,701

295. This represents transactions originated by one accounting unit against another on the same Railway during the year under report but which could not be responded to during the same year owing to loss of the relevant vouchers and insufficient particulars furnished by officers originating the transactions. The balance is being cleared in the accounts for 1946-47

II. REMITTANCES BETWEEN ENGLAND AND INDIA

Remittance Account between England and India

Accounts with the Secretary of State for India	Items Adjustable in	
	India	England
	Rs.	£

I. Items Adjustable in India (£52,517-5-4)

converted into Rupees at £ 1=Rs 13 $\frac{1}{3}$) Dr. 7,00,230

II.—Item^a Adjustable in England (£22,613,951-17-9) Dr. .. 22,613,952

Accounts with the High Commissioner for India

I. Items Adjustable in India (£ 19,148-13-2 converted into Rupees at £ 1=Rs 13 $\frac{1}{3}$)	Dr.	2,55,316	..
II. Items Adjustable in England (£14,874-10-1)	Dr.		14,874
	Dr.	9,55,546	22,628,826

296 It comprises transactions, mainly of a miscellaneous character, passed on from England to India or *vice versa*, for adjustment in the accounts of the other and represents the net balance in respect of the amounts by which each set of accounts could not take up the debits and credits passed on by the others. The outstanding amount is normally an asset or liability to Government.

SECTION T TRANSFER OF CASH BETWEEN ENGLAND AND INDIA.

India Cr. Rs. 4,34,416

297. Cash remittances from India to England and *vice versa* of funds belonging to India are made through the Reserve Bank of India. These remittances are brought to account under this head.

The balance represents the amounts transferred by the Reserve Bank of India to the Secretary of State late in 1945-46 and responded to by the latter early in 1946-47. It also includes an excess credit in the accounts for 1945-46, which has been readjusted in the accounts for 1946-47.

SECTION V. CASH BALANCE	INDIA ..	Dr.	Rs.	5,27,74,00,975
	ENGLAND	Dr.	£	1,341,329

298. The Cash Balances in INDIA were distributed as follows :

Province.	Cash in district Treasuries.					At credit of govern- ment with the Reserve Bank of India and its Branches.	
	Dr	Rs	Dr	Rs			
India General	—35,50,420	5,28,19,32,687
Baluchistan	3,50,764	..
Bombay	—2,19,349	..
Bihar	5,76,532	..
Central Provinces and Berar	—1,22,850	..
Assam	—10,65,733	..
North-West Frontier Province	3,24,108	..
Orissa	—8,83,600	..
Coorg	58,836	..
			Total	..	..	15,31,712	5,28,19,32,687
			Total	Dr	Rs		5,27,74,00,975

The *minus* balances shown against India General, Bombay, Central Provinces and Berar, Assam and Orissa represent the amount of remittances in transit at the end of the year under report

299 The figures under Cash in District Treasuries in some Provinces include the amount of remittances in transit at the close of the year. The treasury balances have all been agreed with the Cash Balance Reports for March, 1946 except in the case of Government of India Treasury Officer's account, Tehran and the treasury officers, Muscat and Gyantse under India General. The discrepancy in the case of Tehran is due to adoption of estimated figures as no Cash Balance Report was received. The discrepancy under Muscat is due to adoption of figures in whole rupees in the Cash Balance Report which is based on telegraphic intimation. The difference under Gyantse is under settlement. The cash balance of the Central Government with the Reserve Bank of India at the end of 1945-46 including the balance of the Railway Fund created *proforma* stood at Rs 5,28,19,32,687 against Rs 5,28,21,04,752 reported by the Bank. The difference of Rs 1,72,065 has been settled in the accounts for 1946-47

300 The balance against India General includes a sum of Rs 27,73,704 (minus debit) being the closing balance under the head "Foreign Remittances" outstanding on the 31st March, 1946. The outstanding under the head has been cleared except a net credit of Rs 35,67,398.

301. The Cash Balances in ENGLAND were distributed as follows .

	Dr	£
Secretary of State		
Cash in hand or at the Bank of England
High Commissioner—		
Cash at the Reserve Bank of India and in the hands of the Cashier	—	—128,720
Total	—	1,341,329

B. DEBT DEPOSITS AND REMITTANCE ACCOUNTS.

II. Accounts.

No 1 SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS.

Heads of Receipts.	Actuals for 1945-46.	Heads of Disbursements.	Actuals for 1945-46.
(1)	(2)	(3)	(4)
N.—Public Debt Incurred—		N.—Public Debt Discharged—	
A—Debt raised in India—		A—Debt raised in India—	
Permanent Debt	3,35,43,11,784	Permanent Debt	55,59,03,804
Floating Debt	2,79,89,75,000	Floating Debt	2,83,27,25,000
B—Debt raised in England—		B—Debt raised in England—	
Permanent Debt		Permanent Debt	3,90,03,978
Total	6,15,32,86,784	Total	3,42,76,32,782
O.—Unfunded Debt—		O.—Unfunded Debt—	
Deposits of Service funds	.. 23,47,615	Special Loans	.. 4,365
Savings Bank Deposits	78,10,93,758	Deposits of Service Funds	.. 34,83,858
Post Office Certificates	29,62,31,555	Savings Bank Deposits	41,32,22,258
Indian States Certificates	24,99,346	Post Office Certificates	.. 4,32,23,468
State Provident Funds	13,26,70,306	Indian State Certificates	.. 1,715
Other Accounts	1,65,63,861	State Provident Funds	9,15,00,952
Total	1,23,14,06,441	Other Accounts	1,07,93,732
		Total	56,22,30,349
P.—Deposits and Advances		P.—Deposits and Advances—contd.	
Part I—Deposits bearing Interest—		Part I.—Deposits bearing Interest—	
(A) Reserve Funds—		(A) Reserve Funds—	
Depreciation Reserve Fund—		Depreciation Reserve Fund	
Railways	17,25,46,519	Railways	11,94,75,869
Railway Reserve Fund	6,20,03,676	Railway Reserve Fund	5,54,56,208
Renewals Reserve Fund—		Renewals Reserve Fund—	
Posts and Telegraphs	97,24,200	Posts and Telegraphs	35,98,956
Renewals Reserve Fund—		Renewals Reserve Fund—	
Northern India Salt and Central Excises Department		Northern India Salt and Central Excises Department	1,39,555
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Lighthouses and Lightships	53,894	Lighthouses and Lightships	..
General Reserve Fund—		General Reserve Fund—	
Lighthouses and Lightships	7,32,384	Lighthouses and Lightships	.. 19,468
Other Deposits	1,01,71,88,396	Other Deposits	45,33,05,320
Total—Deposits bearing Interest	1,26,23,87,569	Total—Deposits bearing Interest	63,19,95,377
Part II.—Deposits not bearing Interest—		Part II.—Deposits not bearing Interest—	
(A) Sinking Funds—		(A) Sinking Funds—	
Appropriation for Reduction or Avoidance of Debt—		Appropriation for Reduction or Avoidance of Debt—	
Sinking Funds	95,04,000	Sinking Funds	.. 18,56,86,092
Other Appropriations	2,01,96,000	Other Appropriations	..

(a) Excludes Rs 1,93,30,200 under Receipts as well as under Disbursements on account of conversion of non-terminable loans (see footnote under Account No. 3).

No I SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS contd

Heads of Receipts (1)	Actuals for 1945-46 (2)	Heads of Disbursements (3)	Actuals for 1945-46 (4)
P.—Deposits and Advances—contd	Rs	P.—Deposits and Advances— contd	Rs
Part II.—Deposits not bearing Interest <i>concl'd</i>		Part II.—Deposits not bearing Interest—<i>concl'd</i>	
(B) Reserve Funds—		(B) Reserve Funds—	
Silver Redemption Reserve	89,89,415	Silver Redemption Reserve	89,88,968,
Civil Aviation Fund	3,00,000	Civil Aviation Fund	95,622
Central Road Fund	1,49,02,039	Central Road Fund	1,02,35,286
Post Office Certificates		Sugar Excise Fund	7,20,602
Bonus Fund	75,42,665	Fund for Economic Development and Improvement of Rural Areas	1,00,455
Sugar Excise Fund	17,84,781	Fund for Development of Civil Aviation	4,09,642
Fund for Development of Civil Aviation		Defence Reserve Fund	
Defence Reserve Fund		Fund for Special Frontier Expenditure including Development	10,12,566
Fund for Special Frontier Expenditure including Development	3,264	Fund for Development of Broadcasting	95,845
Fund for Development of Broadcasting		Depreciation Reserve Fund— Government Presses	72,344
Depreciation Reserve Fund— Government Presses	1,35,287	Panth Piploda Reserve Fund	109
Panth Piploda Reserve Fund	3	Fund for the relief of ground-nut cultivators	17,250
Fund for the relief of ground-nut cultivators		Fund for the benefit of cotton growers	3,04,87,772
Fund for the benefit of cotton growers	4,14,32,408	Fund for India's contribution to the United Nations Relief and Rehabilitation Administration	2,41,48,267
Fund for India's contribution to the United Nations Relief and Rehabilitation Administration		Coal Mines Labour Welfare Fund	1,58,512
Coal Mines Labour Welfare Fund	7,86,74,291	Coal Production Fund	1,78,77,342
Coal Production Fund	57,02,570	Fund for payment of bonus to temporary clerical personnel under the scheme of Unified scale of pay	6,24,823
Cotton Textile Fund	2,63,40,846		
Fund for payment of bonus to temporary clerical personnel under the scheme of Unified scale of pay	84,79,547		
	20,38,910		
(C) Other Deposits Accounts—		(C) Other Deposit Accounts—	
Deposit of Local Funds	3,12,70,794	Deposits of Local Funds	2,87,73,933
Deposits of Branch Line Companies	9,49,258	Deposits of Branch Line Companies	10,96,945
Departmental and Judicial Deposits—		Departmental and Judicial Deposits—	
Civil Deposits	1,46,16,07,579	Civil Deposits	1,56,17,31,483
Other Deposits	48,73,14,934	Other Deposits	46,89,70,197
Transactions connected with the War, 1939	2,24,22,659	Transactions connected with the War, 1939	4,66,77,704
Other Accounts	1,02,52,61,186	Other Accounts	75,43,90,803
Balance of Coorg	18,13,815		
Total—Deposits not bearing interest	3,25,65,26,251	Total—Deposits not bearing interest	3,14,23,72,562

No 1—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS contd.

Heads of Receipts	Actuals for 1945 46 (1)	Heads of Disbursements (3)	Actuals for 1945 46. (4)
P.—Deposits and Advances—concl'd			
Part III—Advances not bearing Interest—			
Advances Repayable	1,06,84,88,829	Advances Repayable	2,04,68,21,344
Permanent Advances	2,31,963	Permanent Advances	2,89,874
Account with Foreign Governments and Indian States	12,61,02,842	Accounts with Foreign Governments and Indian States	13,22,73,205
Accounts with the Government of Burma	.	Accounts with the Government of Burma	8,47,647
Accounts with Burma Railway Board		Accounts with the Burma Railway Board	28,651
Accounts with the Reserve Bank	12,70,706		
Accounts with His Majesty's Imperial Government	2,22,121	Accounts with the Reserve Bank	82,85,367
Coinage Account	5,15,92,585	Accounts with His Majesty's Imperial Government	2,26,358
Total—Advances not bearing Interest	2,14,79,28,346	Coinage Account	4,00,33,887
		Total—Advances not bearing Interest	2,22,88,06,323
Part IV—Suspense—			
Suspense Accounts	37,60,44,300	Part IV—Suspense—	
Purchases and Sales of Silver	20,37,67,065	Suspense Accounts	37,60,44,003
Sale of Lend/Lesse Silver	4,64,38,921	Purchases at States of Silver	15,13,71,556
Cheques and Bills	2,49,983	Cheques and Bills	2,10,36,518
Departmental and Similar Accounts	50,29,725	Departmental and Similar Accounts	91,93,210
Transactions connected with Burma Notes	6,64,136	Transactions connected with the War, 1939	72,131
Transactions connected with the War, 1939	20,64,014		
Total—Suspense	63,42,18,111	Total—Suspense	53,80,20,480
Part V—Miscellaneous—			
Miscellaneous	22,14,91,692	Part V—Miscellaneous	2,65,05,299
Total	7,52,55,82,002	Total	6,56,77,90,041
Q.—Loans and Advances by the Central Government—			
Advances to Provincial Governments	14,45,71,754	Q.—Loans and Advances by the Central Government—	
Advances to Crown Representative	6,04,360	Advances to Provincial Governments	2,03,27,355
Loans to Indian States	1,86,80,616	Advances to Crown Representative	6,42,664
Loans to Local Funds, etc	5,44,55,658	Loans to Indian States	22,500
Loans to Government Servants	10,97,951	Loans to Local Funds, etc	2,04,80,929
Total	21,94,10,330	Loans to Government Servants	7,16,548
		Total	5,11,98,096
S.—Remittances—			
I.—Remittances within India—			
Money Orders	1,99,59,49,740	S.—Remittances—	
Cash Remittances and Adjustments between officers rendering account to the same Accountant General or Comptroller		I.—Remittances within India—	
		Money Orders	2,00,11,82,313
		Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller	3,85,33,757

No. 1—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY JOMAJOR HEADS *contd*

Heads of Receipts	Actuals for 1945-46	Heads of Disbursements	Actuals for 1945-46
(1)	(2)	(3)	(4)
	Rs.		Rs.
S.—Remittances—concl.			
I.—Remittances within India— <i>concl</i>		I.—Remittances within India— <i>concl</i>	
Remittances adjusted on the Central Books		Remittances adjusted on the Central Books	24,05,739
Reserve Bank of India Remittances	..	Reserve Bank of India Remittances	—1,06,21,076
Accounts between Civil and Civil	..	Accounts between Civil and Civil	8,33,40,479
Exchange Accounts between Defence Accounts Officers (including Naval)	..	Exchange Accounts between Defence Accounts Officers (including Naval)	55,26,786
Exchange Accounts between Posts and Telegraphs and Defence Services	.	Exchange Accounts between Posts and Telegraphs and Defence Services	79,08,933
Transfer between Railways		Transfers between Railways	91,825
Exchange Accounts between Civil and Post and Telegraphs	22,69,53,241	Exchange Account between Civil and Posts and Telegraphs	22,84,17,444
Other Remittances		Other Remittances	2,26,17,354
Exchange Accounts between Civil and Defence Services (including Naval)	7,02,42,25,525	Exchange Accounts between Civil and Defence Services (including Naval)	7,01,39,55,328
II.—Remittances between England and India—		II.—Remittances between England and India—	
Remittance Account between England and India—		Remittance Account between England and India—	
Accounts with the Secretary of State	9,54,81,28,642	Accounts with the Secretary of State	9,51,77,90,079
Accounts with the High Commissioner	45,09,22,554	Accounts with the High Commissioner	45,28,98,031
Total	19,24,61,79,702	Total	19,36,40,46,992
T.—Transfer of Cash between England and India	2,68,49,48,007	T.—Transfer of Cash between England and India	2,64,65,13,591
SUMMARY—			
Total Receipts under Debt, Deposits, etc heads	37,06,08,13,275	Total Disbursements under Debt, Deposits, etc ,heads	32,61,94,12,751
Total Revenue as per Account No 2 of Part A II.	4,08,18,94,331	Total Expenditure as per Account No 2 of Part A-II	5,89,07,81,587
Total Receipts	41,14,27,07,606	Total Disbursements	38,51,01,94,338
V.—Opening Balance—			
In India—			
Cash in District Treasuries	—29,96,190	Cash in District Treasuries	45,31,712
Cash with Reserve Bank of India	2,68,79,24,100	Cash with Reserve Bank of India	5,28,19,32,687
In England—		In England—	
Secretary of State ..	—2,41,61,727	Secretary of State ..	1,96,00,660
High Commissioner ..	20,05,920	High Commissioner ..	—17,16,264
Total	2,66,27,72,103	Total	5,29,52,85,371
GRAND TOTAL	. 43,80,54,79,709	GRAND TOTAL	. 43,80,54,79,709

**No. 2 STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE
(OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND
THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED
FOR THAT EXPENDITURE.**

Capital and other expenditure	On 1st April, 1945	On 31st March, 1946	Increase (+) in the year end- ing 31st March, 1946
(1)	(2) Rs.	(3) Rs.	(4) Rs.
1.—Capital Expenditure—			
Commercial Departments—			
Railways	(a) 7,87,00,10,656	7,96,84,09,577	+9,84,88,921
Posts and Telegraphs	(b) 32,07,34,035	34,25,15,434	+2,17,80,799
Irrigation	1,78,38,801	1,78,95,053	+2,56,252
Other Commercial Departments and Under- takings	6,61,42,789	6,65,97,931	+4,55,142
Total Commercial Departments	(a), (b) 8,27,45,26,881	8,39,55,07,995	+12,09,81,114
Other Departments—			
New Capital at Delhi	18,18,87,869	19,61,41,747	+1,42,53,878
Other Accounts	(c) 1,80,73,49,730	2,24,78,88,570	+44,05,38,840
Total Other Departments	(c) 1,98,92,37,599	2,44,40,30,317	+45,47,92,718
Total Capital Expenditure	(a), (b), (c) 10,26,37,64,480	10,83,95,38,312	+57,57,73,832
2.—India's Financial Contribution to the Great War, 1914-18			
	1,50,00,00,000	1,50,00,00,000	
3.—Loans and Advances—			
Advances to Provincial Governments	63,65,64,668	52,13,20,270	-11,52,44,398
Advances to Crown Representative	14,83,045	15,21,349	+38,304
Advances to Indian States, Local Bodies, etc	14,04,84,080	8,74,78,831	5,30,05,240
Total Loans and Advances	77,85,31,793	61,03,20,450	-16,82,11,343
Total Capital and other Expenditure (a), (b), (c) 12,54,22,96,273	12,94,98,58,762	+40,75,62,489	
4.—Deduct—Contribution from Revenue for Capital Expenditure			
	(d) -20,67,54,713	-20,79,27,385	-11,72,672
5.—Net Capital and other Expenditure outside the Revenue Account			
	(a), (b), (c), (d) 12,33,55,41,560	12,74,19,31,377	+40,63,89,817

(a) Excludes Rs 629 dropped without financial adjustment as explained against footnote (b) under Major head "67-A" in Statement No 6 of Part A II—Accounts

(b) Increased by Rs 3,08,061 as explained against footnote (a) under Major head "69" in statement No 6 of Part A II—Accounts and by Rs 391 as a result of rectification of misclassification of previous years between the "Gross" expenditure and "Deduct—Portion of capital outlay financed from ordinary revenue" without any financial adjustment

(c) Includes Rs 1,24,11,252 on account of expenditure on A R P equipment transferred from "Suspense" to Major head "87" without financial adjustment *Vide* footnote (a) under Major head "87" in Statement No 6 of Part A-II—Accounts

(d) Increased by Rs 391 on account of rectification of misclassification of previous years *vide* also footnote (b) above, and decreased by Rs 2,29,430 as a result of rectification of misclassification of previous years affecting Capital and Revenue Accounts under "Aviation" without any financial adjustment. *Vide* footnote (b) under Major head "72-A" in Statement No 6 of Part A-II—Accounts.

No 2 STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE (OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED FOR THAT EXPENDITURE *concl*

Principal Sources of Funds	On 1st April,	On 31st March,	Increase (+) Decrease (-) in the year end- ing 31st March, 1946.
	1945	1946	(4) Rs
(1)	(2) Rs	(3) Rs	
1 Capital Contributed by Railway Companies and Indian States	(a) 2,11,50,974	2,11,44,296	-6,678
2 —Debt—			
Permanent Debt—			
In India—Nominal Value	12,19,08,97,555	14,98,93,05,535	+2,79,84,07,980
Less—Unredeemed Discount	-10,07,89,322	-12,73,34,013	-2,65,44,691
In England—Nominal Value			
(Sterling converted into Rs at £1 = 13 1/3)	63,97,86,694	60,07,82,715	-3,90,03,979
Less—Unredeemed Discount	-3,97,41,992	-3,47,84,699	+49,57,293
Floating Debt	86,70,50,000	83,33,00,000	-3,37,50,000
Unfunded Debt—			
Savings Bank Deposits	88,75,31,344	1,25,54,02,845	+36,78,71,501
Post Office Certificates	(b) 70,27,98,382	95,58,06,469	+25,30,08,087
Indian State Certificates	(b) 14,55,112	39,52,744	+24,97,632
State Provident Funds, etc	1,10,04,73,752	1,14,62,72,027	+4,57,98,875
Total Debt	(a) 16,24,94,61,525	19,62,27,04,223	+3,37,32,42,698
3 —Sinking Funds and Reserve Funds	1,84,07,25,109	1,83,17,42,301	-89,82,808
4 —Net Balance under Deposits, Advances, etc, other than those shown separately	(c) 3,83,24,33,297	4,74,41,09,329	+91,16,76,032
5 —Remittances	(d) 48,64,50,702	(e) -60,43,17,992	-11,78,67,290
Total Debt and Other Obligations	(a), (c), (d) 21,45,73,20,203	(e) 25,61,53,82,157	+4,15,80,61,954
6 —Deduct Cash Balance	-2,66,27,72,103	-5,29,52,85,371	-2,63,25,13,268
7 —Deduct Investments	-61,97,91,395	-74,53,93,099	-12,56,01,704
8 —Net Provision of Funds	(a), (c), (d) 18,17,47,56,705	(e) 19,57,47,03,687	+1,39,99,46,982

(a) A sum of Rs 629 representing difference in exchange and discount on debenture has been dropped without financial adjustment as explained against footnote (h) under Major head "67-A" in Statement No 6 of Part A-II—Accounts

(b) Differs from last year's closing balance by Rs 14,55,112 due to separate exhibition of the balances under the head "Indian State Certificates" on 1st April, 1945

(c) Excludes the debit balance of Rs 1,24,11,252 transferred from "Suspense Accounts" to "Government Account" under Capital head without financial adjustment as explained against footnote (a) under Major head "87" in Statement No 6 of Part A-II—Accounts and under paragraph 208 in Part B I.—Report

(d) Differs from last year's closing balance by Rs 7,183 by reason of corrections since made so as to accord with the correct balance under the head as shown under "Section S—Remittances" in that year's account

(e) Differs from the corresponding balance under the head as shown in paragraph 275 (India and England taken together) and in the table below paragraph 9 by Rs 1,21,712 as explained below —

(i) Cr Rs 6,916 Amount of net credit adjusted under the head "Remittance Account between England and India" by different Accountants General in the accounts for 1945-46 in write back of amounts adjusted in the accounts for 1944-45

(ii) Cr Rs 1,20,914 } Amount of net adjustments under the above head in the ac-
(iii) Dr Rs 6,067 } counts of the Accountant General, Central Revenues for 1945-46 but not passed on to the High Commissioner or the Secretary of State during that year

(iv) Dr Rs 51 Difference due to conversion of sterling into rupees and fractional differences due to rounding

Net Cr. Rs 1,21,712

NO. 3. STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS, SHOWING THE ADDITIONS TO, AND DISCHARGE OF DEBT, ETC, DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC, AT THE COMMENCEMENT AND CLOSE OF THE YEAR

Description of Debt. (1)	Amount on 1st April 1945 (2)	Additions during the year (3)	Discharges during the year (4)	Amount on 31st March, 1946 (5)
	Rs	Rs	Rs	Rs.
I.—Public Debt.—				
A.—Debt raised in India—				
(a) PERMANENT DEBT—				
(i) Loans bearing Interest—				
4½ per cent. Loan for Indore State Railway	70,00,000			70,00,000
4½ per cent. Loan, 1950-55	6,73,88,200			6,73,88,200
4½ per cent. Loan, 1958-68	5,84,52,900	66,667	67	5,85,10,500
4½ per cent. Loan, 1955-60	9,05,63,700		..	9,05,63,700
4 per cent. Loan, 1960-70	63,30,26,300			63,30,26,300
4 per cent. Loan, 1948-53	5,02,40,400		..	5,02,40,400
4 per cent. Loan, from Maharaja Scindia for Indian Government Railways	1,50,00,000			1,50,00,000
3½ per cent. Loan, 1947-50	55,94,30,900			55,94,30,900
3½ per cent. Loan, 1842-43	71,83,02,100 (a)	66,68,500 (a)	24,95,700 (c)	72,24,73,400
			1,500	
3½ per cent. Loan, 1854-55	40,08,22,271 (a)	5,31,800 (a)	83,00,000 (c)	39,29,53,089
			1,000	
			982	
3½ per cent. Loan, 1865 ..	65,05,52,100 (a)	67,40,800 (a)	25,51,600 (c)	68,37,25,800
			15,500	
3½ per cent. Loan, 1870 ..	17,96,04,300 (a)	1,75,100 (a)	14,28,300	17,83,51,100
3½ per cent. Loan, 1900-01	77,07,72,650 (a)	52,14,500 (a)	44,55,600 (c)	77,15,31,150
			300	
3½ per cent. Loan, 1954-59	12,36,51,100	18,386	186	12,36,69,300
3 per cent. Loan, 1896-97	8,92,94,400	43,100		8,93,37,500
3 per cent. Loan, 1951-54	86,72,71,900			86,72,71,900
3 per cent. Loan, 1953-55	1,14,59,67,600			1,14,59,67,600
3 per cent. Loan, 1963-65	91,17,46,700	25,00,00,000	600	1,16,17,16,100
3 per cent. Loan, 1949-52	66,63,53,500			66,63,53,500
3 per cent. Defence Bonds, 1946	65,14,32,200			65,14,32,200
3 per cent. Victory Loan, 1957	1,11,42,29,500		..	1,11,42,29,500
3 per cent. Second Victory Loan, 1959-61	5,25,17,900	1,08,02,73,900		1,13,27,91,800
3 per cent. Funding Loan, 1966-68	1,10,11,78,000			1,10,11,78,000
3 per cent. first Development Loan, 1970-75		1,15,05,83,700	500	1,15,05,83,200
2½ per cent. Loan, 1948-52	62,01,28,000	25,00,00,000	..	87,01,28,000
2½ per cent. Loan, 1960 ..		25,63,06,800		25,63,06,800
2½ per cent. Bonds, 1950		35,09,47,000	..	35,09,47,000
Total Loans bearing Interest	11,55,39,32,421	3,35,75,70,253	1,93,50,835	14,89,21,51,839
(ii) Loans not bearing Interest—				
6½ per cent. Treasury Bonds, 1935	1,65,000		18,800	1,46,200
6 per cent. Bonds, 1932	35,700			35,700
6 per cent. Bonds, 1931 ..	10,600		400	10,200
6 per cent. Bonds, 1930	2,85,100		11,200	2,73,900
6 per cent. Bonds, 1927	82,800	..	1,000	81,800
6 per cent. Bonds, 1926	78,400			78,400

(a) Represents additions and discharges due to conversion of non-terminable loans

(b) Represents payment of commuted value of interest on Amanoti stock certificate

(c) Represents nominal value of securities deposited in the Government but remaining unclaimed for more than 20 years.

NO 3 STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS, SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC, DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC, AT THE COMMENCEMENT AND CLOSE OF THE YEAR *contd.*

Description of Debt (1)	Amount on 1st April, 1945 (2) Rs.	Additions during the year (3) Rs.	Discharges during the year (4) Rs.	Amount on 31st March, 1945. (5) Rs.
I.—Public Debt—<i>contd.</i>				
A.—Debt raised in India—<i>concld.</i>				
(i) PERMANENT DEBT—<i>concld.</i>				
(ii) Loans not bearing Interest —<i>concld.</i>				
6 per cent Bonds, 1933-36	51,700	..	36,000	15,700
5½ per cent War Bonds, 1928	1,02,525	..	10,000	92,525
5½ per cent Bonds, 1925	12,750		(a) 12,750	..
5½ per cent Loan, 1938-40	54,800	..		54,800
5 per cent war Loan, 1945-55	56,74,93,700	..	54,83,18,650	1,91,75,050
5 per cent Bonds, 1933	41,300		7,600	33,700
5 per cent Bonds, 1935	24,200	..	5,000	19,200
5 per cent Loan, 1940-43	2,44,400	..	1,16,300	1,28,100
5 per cent War Loan, 1929-47	2,20,350	..	3,500	2,16,850
5 per cent Loan, 1939-44	2,15,300	..	87,400	1,77,900
4½ per cent Bonds, 1934	1,54,800	..	..	1,54,800
4 per cent Conversion Loan, 1916-17	18,800	..	..	18,800
4 per cent Loan, 1934-37	2,07,700			2,07,700
4 per cent Bonds, 1943	3,64,900		27,400	3,37,500
3 per cent Bonds, 1941	1,48,500		2,600	1,45,900
Total Loans not bearing Interest	57,00,13,325	..	54,86,08,600	2,14,04,725
(iii) Interest Free Loans—				
Three year Interest Free De- fence Bonds	2,93,40,390	6,97,051	72,74,569	2,27,63,472
Five year interest Free Prize Bonds, 1949	3,76,11,420	1,53,74,080		5,29,85,500
Total Interest Free Loans	6,69,51,810	1,60,71,731	72,74,569	7,57,48,972
(b) FLOATING DEBT—				
Treasury Bills	86,70,50,000	2,79,89,75,000	2,83,27,25,000	83,33,00,000
Total Floating Debt	86,70,50,000	2,79,89,75,000	2,83,27,25,000	83,33,00,000
Total Debt raised in India	13,05,79,47,556	6,17,26,16,984	3,40,79,59,004	15,82,26,05,536
B.—Debt raised in England—				
PERMANENT DEBT—				
(i) Loans bearing Interest—				
India Stock—				
India 4½ per cent Stock, 1950-55	4,83,91,286		16,33,760	4,67,57,526
India 4½ per cent Stock, 1958-68	2,97,79,033		1,48,694	2,96,30,389
India 4 per cent Stock, 1948-53	94,14,251		73,457	93,40,794
(a) Loans written off to Revenue for lying unclaimed for more than 20 years.				

No 3 STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC, DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC, AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd*

Description of Debt (1)	Amount on 1st April, 1945 (2)	Additions during the year (3)	Discharges during the year. (4)	Amount on 31st March, 1946 (5)
	Rs	Rs	Rs	Rs.
I.—Public Debt—<i>contd</i>				
B—Debt raised in England—<i>contd</i>				
PERMANENT DEBT—<i>contd</i>				
(1) Loans bearing Interest— <i>contd</i>				
India Stock—				
India 3½ per cent Stock, 1954-59	96,80,456		18,386	96,62,070
India 3 per cent Stock, 1948 or after	2,40,74,963		7,24,727	2,33,50,236
India 3 per cent. Stock, 1949-52	..	88,60,356	73,702	87,86,654
India 2½ per cent Stock, 1926 or after	28,14,934		1,21,286	26,93,648
Railway Debenture Stock—				
Burma Railway 3 per cent Debenture Stock	2,51,120			2,51,120
Bengal and North Western Railway 5 per cent Debenture Stock, 1945-60	1,71,400		1,71,400	
East Indian Railway 4½ per cent Irredeemable Debenture Stock	2,04,267		42,000	1,62,267
East Indian Railway 3 per cent new Debenture Stock	11,35,333		5,333	11,30,000
Eastern Bengal Railway 4 per cent Irredeemable De- benture Stock	35,187			35,187
Great Indian Peninsula Railway 4 per cent Irre- deemable Debenture Stock	3,83,200		5,067	3,78,133
South Indian Railway 4½ per cent Perpetual Debenture Stock	66,800		11,333	55,467
South Indian Railway 4 per cent Debenture Stock, 1945 or after	4,50,042		4,48,629	1,413
Capital portion of Annuities created in purchase of Railways—				
East Indian Railway Annuity terminating 14th February, 1953	10,64,60,171		1,08,08,246	9,56,51,925
Eastern Bengal Railway An- nuity terminating 30th July, 1957	1,56,61,886		9,64,210	1,46,97,676
Great Indian Peninsula Rail- way Annuity terminating 17th August, 1948	5,79,63,945		1,53,70,313	4,25,93,632
Madras Railway Annuity terminating 1st April, 1956	6,11,72,281		44,01,387	5,67,70,894
Scinde Punjab and Delhi Railway Annuity terminat- ing 1st January, 1959	5,32,89,097		29,41,032	5,03,48,065

No. 3. STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC, DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC, AT THE COMMENCEMENT AND CLOSE OF THE YEAR *contd*

Description of Debt	Amount on 1st April, 1945 (1)	Additions during the year (3)	Discharges during the year (4)	Amount on 31st March, 1946 (5)
	Rs	Rs	Rs	Rs
I.—Public Debt—<i>concld</i>				
B.—Debt raised in England—<i>concld</i>				
PERMANENT DEBT—<i>concld</i>				
(i) Loans bearing Interest— <i>concld</i>				
Capital portion of Annuities created in purchase of Rail- ways— <i>concld</i>				
Liability for British Govern- ment 5 per cent War Loan, (1929-47) taken over by India	20,62,25,705			20,62,25,705
(ii) Loans not bearing Inter- est—				
India 3½ per cent Stock, 1931 or after	29,21,551		8,19,055	21,02,496
India 5 per cent Stock, 1942-47	36,414		667	35,777
Bombay, Baroda and Central India Railway 3½ per cent. Debenture Stock, 1940 or after	15,293		12,627	2,666
East Indian Railway 3½ per cent Debenture Stock	2,34,000		1,59,200	74,800
Great Indian Peninsula Rail- way 3½ per cent Debenture Stock	63,693		49,467	14,226
India 5½ per cent Stock, 1932	24,000			24,000
India 6 per cent Bonds, 1932	6,000			6,000
Total Debt raised in England	(a) 63,97,86,694		3,90,03,978	60,07,82,716
Total Public Debt	13,69,77,34,250	6,17,26,16,984	3,44,69,62,982	16,42,33,88 252
		(a)		
II.—Unfunded Debt—				
Special Loans	1,45,05,730		4,365	1,45,01,365
Treasury Notes	71,619			71,619
Deposits of Service Funds—				
Indian Civil Service Family Pension Fund	1,38,13,554	6,97,624	6,88,356	1,38,22,822
Indian Military Service Family Pension Fund	1,92,42,660	8,28,546	16,70,938	1,84,00,268
Indian Military Widows' and Orphans' Fund	29,62,225	2,51,510	1,46,225	30,67,510
Madras Military Assistant Surgeons' Fund	4,34,983	12,054	13,566	4,33,471
Bengal Uncovenanted Service Family Pension Fund	31,55,756	2,21,534	5,61,645	28,15,645
Bengal and Madras Service Family Pension Fund	15,86,463	67,590	95,097	15,58,956
Bombay Family Pension Fund of Government Servants.	27,80,560	2,68,534	3,08,031	27,41,063
Indian Civil Service Family Pension Fund (untransferred)			222(b)	222
Savings Bank Deposits—				
Post Office Defence Savings Bank Deposits	(a) 8,53,15,744	1,98,48,905	1,92,512	10,49,72,137
Post Office Savings Bank Deposits	80,22,15,600	76,12,44,853	41,30,29,746	1,15,04,30,707

(a) Differs from the last year's closing balance by reason of corrections since made

(b) Represents an erroneous adjustment which has been rectified in the accounts for 1946-47

No 3 STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC, DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC, AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*concl*

Description of Debt	Amount on 1st April, 1945 (1)	Additions during the year (2)	Discharges during the year (3)	Amount on 31st March, 1946 (4)
	Rs	Rs	Rs	Rs
II—Unfunded Debt—<i>concl</i>				
Post Office Cert'ficates—				
Post Office Cash Certificates	35,81,85,957	6,66,54,912	3,72,22,593	38,76,18,276
Post Office Ten Years Defence Savings Certificates	(a) 6,42,12,970	50	50,13,960	5,91,99,060
Post Office Twelve Years National Savings Certificates	28,03,99,455	22,95,76,594	9,86,915	50,89,89,184
Indian States Certificates	14,55,112	24,99,346	1,715	39,52,743
State Provident Funds—				
State Railway Provident Institution	73,73,27,530	8,82,25,943	7,25,18,472	75,30,35,001
General Provident Fund	(a) 11,16,85,379	1,70,11,727	1,08,14,549	11,78,82,557
Indian Civil Service Provident Fund	26,67,684	2,75,698	2,33,096	27,10,286
Indian Civil Service (Non-European Members) Provident Fund	(a) 1,21,058	23,225	2,678	1,41,605
Defence Savings Provident Fund	2,55,87,865	1,33,68,231	24,49,082	3,65,07,014
Defence Savings Provident Fund (Railways)	(a) 29,69,960	11,27,559	2,86,009	38,11,510
Defence Service Officers' Provident Fund	(a) 1,15,80,516	36,88,194	10,55,552	1,42,13,158
Indian Ordnance Department Provident Fund	1,01,45,040	12,15,047	6,90,808	1,06,69,279
Military Engineer Services Provident Fund	51,431	4,495	318	46,618
Contributory Provident Fund	1,31,12,719	23,46,386	8,75,248	1,45,83,857
Contributory (Transferred Railway Personnel) Provident Fund	13,48 368	9,84,710	1,79,988	21,53,090
Other Miscellaneous Provident Funds	1,36,04,630	44,08,081	23,95,152	1,56,17,559
Other Accounts—				
General Family Pension Fund	22,176	—63	10,099	12,014
Hindu Family Annuity Fund	(a) 1,46,279	4,78,284	3,28,499	2,96,064
Bombay Family Pension Fund of Government Servants, Life Assurance Branch ..	(a) 9,655	5,434	9,444	5,645
Bengal Christian Family Pension Fund	(a) 7,993	29,357	34,000	3,350
Postal Insurance and Life Annuity Fund	(a) 10,80,48,694	1,12,34,961	85,99,842	11,06,83,813
Staff Benefit Fund	16,53,515	46,73,468	17,44,406	45,82,577
Cemetery Endowment Fund ..	(a) 8,56,504	21,137	970	8,76,671
Technical Trainees Benefit Fund	81			81
Indian Railway Conference Association Employees' Provident Fund	(a) 6,91,973	90,567	59,325	7,23,215
Eastern Group Sleeper Control Provident Fund	(a) 2,65,146	30,716	7,148	2,88,714
Sind, Punjab and Delhi Railway Clergy Endowment Fund	16,006			16,006
Total Unfunded Debt	2,69,22,58,590	1,23,14,06,441	56,22,30,349	3,36,14,34,682

TOTAL—DEBT AND OTHER INTEREST BEARING OBLIGATIONS .. (a) 16,38,99,92,840 7,40,40,23,425 4,00,91,93,331 19,78,48,22,934

(a) Differs from last year's closing balance by reason of corrections since made

No. 4.—STATEMENT OF LOANS AND ADVANCES SHOWING THE AMOUNTS ADVANCED AND REPAYED, INTEREST RECEIVED DURING THE YEAR AND THE BALANCES OF SUCH LOANS AND ADVANCES AT COMMENCEMENT AND CLOSE OF THE YEAR.

FINANCE ACCOUNTS, CENTRAL GOVERNMENT

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Major Heads and Minor Heads (1)	Balance on 1st April, 1945	Amount advanced during the year (2)	Total (3)	Amount re- paid during the year (4)	Balance on 31st March, 1946 (5)	Interest received and credited to Revenue (6)	Interest received and credited to Revenue (7)
Advances to Provincial Governments—							
Madras	4,11,58,428	40,45,055	4,52,03,483	3,80,576	4,48,22,907	15,72,270	
Bombay	17,36,76,984	2,50,000	17,39,26,984	71,69,983	16,67,57,001	81,57,551	
Bengal	9,79,51,200	1,68,28,000	11,47,79,200	7,63,64,800	3,84,14,400	14,00,000	
United Provinces	20,20,80,326		20,20,80,326	5,21,18,763	14,99,61,563	68,26,152	
Punjab	7,95,10,707		7,95,10,707	9,64,861	7,85,45,856	31,70,876	
Bihar	9,64,000			9,64,000	9,64,000		
Central Provinces and Berar	1,97,55,442	47,25,698	2,44,81,140	33,42,940	2,11,38,200	7,24,867	
North-West Frontier Province	7,40,262		7,40,262	7,40,262			
Assam	16,39,800	13,08,455	13,08,455	13,08,455			
Orissa	1,90,87,519	21,70,147	38,09,947	9,85,500	28,24,447	30,580	
Snd			1,90,87,519	2,31,624	1,88,55,895	7,61,207	
Total	63,65,64,668	2,93,27,355	66,58,92,023	14,45,71,754	52,13,20,269	2,26,43,503	
Advances to Crown Representative							
Loans to Indian States							
Loans to Local Funds—							
Loans to Major Port Trusts and Port Funds	5,43,84,103	5,43,84,103	28,92,195	5,14,91,909	22,69,658		
Loans to Municipalities	58,76,591	31,57,000	90,33,591	1,68,111	88,65,479	1,55,516	
Regimental and other Loans	3,61,40,354	1,55,04,000	5,16,44,354	5,06,65,840	9,78,514	15,57,045	
Loans to District and other Local Fund Committees	59,20,383	73,000	59,93,383	81,020	59,12,363	2,28,096	
Loans to Landholders and other Notabilities	17,545		17,545	17,064	14,37,481	1,406	
Advances to Cultivators	14,79,599	4,10,345	18,89,944	4,52,408	14,37,536	34,742	
Advances under Special Laws	47,90,234	13,03,000	60,93,234	73,745	60,19,489	2,19,173	
Miscellaneous Loans and Advances	69,84,527	42,584	70,27,111	1,05,275	69,21,836	2,85,909	
Total	11,65,93,336	2,04,89,929	13,60,83,265	5,44,55,658	8,16,27,807	47,51,545	

No. 4.—STATEMENT OF LOANS AND ADVANCES SHOWING THE AMOUNTS ADVANCED AND PREPAID, INTEREST RECEIVED DURING THE YEAR AND THE BALANCES OF SUCH LOANS AND ADVANCES AT COMMENCEMENT AND CLOSE OF THE YEAR—*concl.*

Major Heads and Minor Heads.	Balance on 1st April, 1945	Amount advanced during the year	Total	Amount re- paid during the year	Balance on 31st March, 1946	Interest received and credited to Revenue	
						(5)	(6)
(1)	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Loans to Government Servants—							
House building advances	951	67	1,018	3,312	—2,294		4,350
Advances for the purchase of motor convey- ances	28,566	17,031	45,597	28,351	17,246		1,109
Advances for the purchase of other conveyances	8,14,303	6,83,867	14,98,170	10,38,634	4,59,536		24,494
Passage advances	28,747	14,563	43,310	26,078	17,232		543
Other Advances	1,366	1,020	2,386	1,576	810		1,003
Total	8,73,933	7,16,548	15,90,481	10,97,951	4,92,530		31,704
GRAND TOTAL	..	77,85,31,793	6,11,98,996	82,97,30,789	21,94,10,330	61,03,20,456	2,76,18,669

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